

9th August 1954]

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—ADJOURNMENT MOTION *RE*

FRENCH INDIAN GOONDAS WHO ARE COMMITTING OFFENCES
DAILY IN THE TERRITORY OF MADRAS STATE, BORDERING
ON PONDICHERRY (FRENCH) FRONTIER

MR. SPEAKER :—“ I have received notice of an adjournment motion from the hon. Member, Sri V. Gopala Gounder. It reads as follows :—

‘ I am giving notice of my intention to move an adjournment motion to discuss about the matter mentioned hereunder :—

‘ This House resolves to invite the attention of the Government of Madras to take immediate necessary steps to put down and to prosecute ‘ French Indian Goondas ’ who are committing offences of grave nature *daily* in the territory of Madras State, bordering on Pondicherry (French) Frontier against the State subjects who have got a right of protection under the Indian Constitution.’

The wording of the motion itself is not correct. Moreover the subject of the motion is a fit matter for a resolution and not for an adjournment motion.”

SRI V. GOPALA GOUNDER :—“ கனம் சபைத் தலைவர் அவர்களே, இந்தப் பிரச்சனை மிகவும் முக்கியமானது. ஆனால் இந்த Motion, இது சம்பந்தப்பட்ட சூழ்நிலைகளைக் கவனத்தில் கொண்டு என்று சொன்னார்கள். அப்படி இருந்தால் அவற்றை கேள்வி மூலமாகவு . . . ”

MR. SPEAKER :—“ இப்பொழுது அதற்கான urgency போய்விட்டது. ஆதலால் இதை அனுமதிக்க முடியாது.”

12-20
p.m.

SRI V. GOPALA GOUNDER :—“ ஒவ்வொரு நாளும் இந்த அகரமம் நடந்துகொண்டுதானிருக்கிறது. இதைப்பற்றி கேள்வி கேட்பதற்கு இந்த சபையிலே ஒரு சந்தர்ப்பம் வேண்டும்.”

MR. SPEAKER :—“ சபையில் இதுபற்றி பல கேள்விகள் கேட்கப் பட்டன. இப்பொழுது கொடுக்கப்பட்டிருப்பதில் wording சரியாக இல்லை. Resolution மாதிரி கொடுத்திருக்கிறார்கள். It is clearly out of order.

“ Because the thing is continuing, it does not mean that it is urgent.”

Information re duration of the sitting of the House.

SRI M. KALYANASUNDRAM :—“ கனம் சபைத்தலைவர் அவர்களே, இந்த சபை இன்னும் எத்தனை தினங்களுக்கு கூடும் என்பதை சர்க்கார் கட்டித் தலைவர் சொல்வாரா ? ”

THE HON. SRI C. SUBRAMANIAM :—“ We just had a conference of leaders of all parties and have come to a tentative decision that the House will sit up to the 13th, that is Friday, and not thereafter.”

III.—GOVERNMENT BILL.

THE MADRAS PLANTATIONS AGRICULTURAL INCOME-TAX BILL, 1954.

* THE HON. SRI M. A. MANICKAVELU NAICKER :—

“ Sir, I beg to introduce the Madras Plantations Agricultural Income-tax Bill^a, 1954, and move—

‘ That the Bill be referred to a Select Committee.’

I shall furnish the list of names of Members later.

[Sri M. A. Manickavelu Naicker] [9th August 1954]

“ In moving this motion, Sir, I would like to point out to this House that the system of levy of land tax in this State has been subjected to the criticism that the burden of tax is not distributed equitably among the different classes of landowners and it is also generally accepted that the levy of tax on agricultural income is a progressive and equitable method of taxation. Hon. Members know there is at present no tax on agricultural income in this State. The question of levying a tax on agricultural income has been under the consideration of the Government for a considerable time, even as long ago as 1943. The levy of the tax has been postponed from time to time for some reason or other. The Land Revenue Reforms Committee, constituted to advise the Government on land revenue reforms and land tenure reforms recommended, among other things, the levy of an agricultural income-tax over and above the land revenue assessment, the levy being applied in the first instance to plantation areas and extended gradually to other areas when there is a general progress in the standard of education of farmers. The Government have examined the recommendation of the Land Revenue Reforms Committee and in view of the many difficulties that will have to be faced by the farmers if the agricultural income-tax is to be levied on all agricultural produce, the Government decided to levy, in the first instance, the tax on plantations. To secure this result and to obtain an addition to the revenue in the State, the Government have decided to levy with effect from 1st April 1954 a tax on agricultural income from coffee, tea, rubber, cinchona and cardamom plantations.

“ The tax will be levied on every person whose total agricultural income is not less than Rs. 3,000 and in the case of every Hindu undivided family or an Aliyasantana family or branch, or a Marumakkattayam tarwad or tavazhi including a Nambudiri family, not less than Rs. 6,000. The scale of levy ranges from 9 pies to 4 annas in the rupee. Persons who will be liable for the levy of the tax will not have to pay income-tax on the first Rs. 1,500 of their agricultural income. The Bill envisages also the levy of a super-tax on incomes exceeding Rs. 25,000. The scale of this levy ranges from Re. 0-1-6 in the rupee to six annas in the rupee. However, in the case of companies, the levy of super-tax will be at Re. 0-1-6 in the rupee on the whole of the total agricultural income. In calculating the total agricultural income, cultivation expenses, amount paid as land revenue or rent by landlord, expenses incurred for the repairs of protective works for the benefit of the plantations, the sum written off for depreciation of machinery, buildings, etc., the expenditure incurred for the purchase or replacement of cattle, implements, etc., and any insurance premium paid against damage or loss of crop and the like will be excluded. The procedure for the assessment and collection of the tax follows mainly the provisions of the Indian Income-tax Act and the Travancore-Cochin Agricultural Income-tax Act. The authorities who will exercise powers and functions under this Act will also correspond to those in the Acts mentioned already. Provision has been made for reference on questions of law to the High Court.

9th August 1954] [Sri M. A. Manickavelu Naicker]

“ Sir, as the Bill is to be referred to a Select Committee, I need not go into further details and any suggestion made by the hon. Members of the House may be considered by the Select Committee. I request the House to accept and pass the motion moved by me.”

MR. SPEAKER :—“ Motion moved—

‘ That the Madras Plantations Agricultural Income-tax Bill, 1954, be referred to Select Committee.’ ”

* SRI M. NARAYANA KURUP :—“ Sir, in clause 33 of the Bill, which provides for revisionary powers of the Commissioner, it is stated ‘ any authorities subordinate to him ’. I wish to know who are the authorities subordinate to him? ”

MR. SPEAKER :—“ The Hon. the Minister will answer when he replies to the debate at 4-30 p.m.”

* SRI C. KANDASAMY :—“ கனம் சபாநாயகர் அவர்களே, இந்த தோட்டக்காடுகளுக்கு வருமான வரி விதிக்கும் மசோதாவானது இப் பொழுது பொது விவாதத்திற்குக் கொண்டுவரப்பட்டிருக்கிறது. விவாதத்திற்கு பிறகு இந்த மசோதாவானது பொறுக்குக் கமிட்டியின் பரிசீலனைக்கு விடப்படும். ஆதலால் இப்பொழுது இந்த வரி விதிக்கக் கூடிய கொள்கையை நான் ஆதரிக்கிறேன். இந்த மசோதாவானது பொறுக்குக் கமிட்டியில் பல ஷரத்துக்கள் வாரியாக நன்கு பரிசீலனை செய்யப்படும் என்ற உத்தரவாதம் இருக்கும் காரணத்தினால் சில பொது விஷயங்களைக் குறிப்பிட விரும்புகிறேன். தோட்டக்காடுகள் மீது வரி விதிக்கும் மசோதாவைப் போலவே பொதுவாக நில வருமானத்தின் மீதும் வரி விதித்தால் நன்றியிருந்திருக்கும். அவ்வாறு அரசாங்கம் செய்திருந்தால் அது மிகவும் வரவேற்கத்தக்கதாயிருக்கும். இந்த மாதிரியான ஒரு மசோதாவைக் கொண்டு வந்து எல்லோருக்கும் நியாயம் வழங்கக் கூடிய வகையில் இது இருந்தால் மிகவும் நலமாயிருக்கும் என்று நினைக்கிறேன். பெரிய பெரிய நிலச்சுவார்த்தார்கள் எல்லாம் எந்த அளவிற்கு பணம் சம்பாதிக்கிறார்கள் என்பது தெரியும். அதே மாதிரியாக சிறு சிறு நிலங்களை வைத்திருக்கும் விவசாயிகளெல்லாம் எந்த அளவுக்கு கஷ்டத்துடன் நிலங்களை வைத்திருக்கிறார்கள் என்பதும் அரசாங்கத்திற்குத் தெரியும். பெரிய பணக்காரர்களுக்கும் போடக்கூடிய அந்த அளவுக்கு இந்தச் சிறிய நிலங்களை வைத்திருக்கும் சிறிய விவசாயிகளமீது வரியைச் சமத்த முடியாது. இவைகளை யெல்லாம் உணர்ந்து, அதற்கேற்ப வரி விதிப்பார்கள் என்று நினைக்கிறேன். இதைப் பற்றி அரசாங்கத்திற்கு நன்கு தெரியும். இன்றைக்கு இம்மாதிரி வருமானத்தின் மீது வரி விதிக்கும் அடிப்படை கொள்கை மீதுதான் இந்த வரியும் விதிக்கப்பட்டிருக்கிறது. எல்லா ஜனநாயக நாடுகளும் அந்த முறையில் தான் நடந்துகொள்கிறது. நம் நாட்டில் நில வருமானத்தின் மீது வரி விதிக்க வேறொரு மசோதாவை அரசாங்கம் சீக்கிரம் கொண்டு வரவேண்டும் என்று கேட்டுக் கொள்ளுகிறேன்.

“ அடுத்தபடியாக தோட்டக்காடுகள் சம்பந்தமாக விதித்திருக்கக் கூடிய வரி ஓரளவு சரி என்றுதான் சொல்லவேண்டும். இன்னும் அதிகமான வரி விதித்திருந்தால் தவறு ஒன்றுமில்லை. ஏனென்றால் தோட்டக்காடுகளுக்கு நில வரியானது மிகவும் சொற்பமே. நன்செய் புன்செய் நிலங்களுக்கு விதிக்கும் வரியானது அதிகமாக இருக்கிறது. ஆனால் தோட்டக்காடு மீது விதிக்கும் நில வரியானது சம்பிரதாய

12-27
p.m.

[Sri C. Kandasamy]

[9th August 1954]

ரீதியில் இருக்கிறது. இன்றைய தினம் நம் ராஜ்யத்தில் ஒரு ஏக்கர் தோட்டக்காடுகளுக்கு வரி 2½ ரூபாயிலிருந்து மூன்று ரூபாய்கள் வரையில் விதிக்கப்படுகிறது. ஆனால் ஒரு ஏக்கர் நஞ்சை நிலத்திற்கு 20 ரூபாய் வரி விதிக்கப்பட்டிருக்கிறது. இம்மாதிரியான கடுமையாக நில வரி விதிக்கப்பட்டிருப்பதனால்தான் விவசாயிகள் மிகவும் கஷ்டப்படுகிறார்கள். இம்மாதிரியான கடுமையான வரிகளை தோட்டக்காடுகளுக்கு விதிக்காததில் அதனின் சொந்தக்காரர்கள் அதிக லாபம் அடைந்து வருகிறார்கள். அவர்கள் இதுமாதிரியாக அடைந்த லாபத்தை கணக்கிட்டுப் பார்ப்போமேயானால் பல கோடி ரூபாயிக்குமேல் போகும். குறிப்பாக தோட்டக்காடுகள் வரிவிதிப்புக் கொள்கை நல்ல முறையில் பரிசீலிக்கப்படவேண்டும். அதனால் அவ்விதம் வரக்கூடிய லாபத்தை அரசாங்கம் கட்டாயம் எடுத்துக் கொள்ளவேண்டுமென்று இந்தச் சந்தர்ப்பத்தில் சுட்டிக்காட்ட விரும்புகிறேன். ரூபாய் 25 ஆயிரத்திற்கு மேல் வருமானம் வரக்கூடியவர்களுக்கு சூப்ர டாகஸ் என்னும் ஒரு வரியைப் போட்டிருக்கிறார்கள். அதன்மீது 1½ அணவிலிருந்து 6 அண வரையிலும் படிப்படியாக வரி விதிக்க உத்தேசித்திருக்கிறார்கள். ஆகவே இந்த மசோதாவின் மூலம் விதிக்கப்படும் வரி விதிப்புகளெல்லாம் பொறுக்குக் கமிட்டியால் பரிசீலனை செய்யப்பட்டு ஒரு நல்ல முடிவுக்கு வர வழிவகை செய்ய வேண்டுமென்று கேட்டுக் கொள்ளுகிறேன்.

(The Deputy Speaker in the Chair.)

12-30
p.m.

“அடுத்தபடியாக, மிகக்குறைவான தோட்டக்காடுகள் வைத்துக் கொண்டிருக்கக் கூடியவர்கள் மிகவும் குறைவாக இருக்கிறார்கள். அவர்களுக்கு விதி விலக்கு அளிப்பதில் எங்களுக்கு ஆட்சேபணை இல்லை. அதை நாங்கள் வரவேற்கிறோம். ஆனால் அதில் பலவிதமான கஷ்டங்கள் இருக்கின்றன. அவர்கள் தாங்களாகவே பலவிதமான கஷ்டங்கள் அனுபவித்து தாங்களே விவசாயம் செய்து காப்பி, தேயிலை முதலியவைகளை பயிரிட்டு மார்க்கெட்டுக்குக் கொண்டு வரவேண்டியதாக இருக்கிறது. அந்த நிலையில் அவர்களுக்கு எவ்வளவோ கஷ்டங்கள் ஏற்படுகின்றன. ஆனால் பிரிட்டிஷ் முதலாளிகள் கோடிக்கணக்கான மூலதனம் போட்டு இங்கு பல பெரிய தோட்டக்காடுகளை வைத்திருக்கிறார்கள். அவ்விதம் பெரியகாடுகள் பெருவாரியாக இந்தாட்டில் இருக்கின்றன. அதன் காரணமாக அவர்கள் வெளி நாடுகளுக்கு ஏற்றுமதி செய்து நல்ல லாபமடைந்து வருகிறார்கள். அதற்கு வேண்டிய பெரிய மெஷின்களும் தேவையான வசதிகளும் அவர்கள் கையில்லாததன் இருக்கின்றன. அதனால் அவர்கள் காப்பி, தேயிலை போன்ற வஸ்துகளை வெளி நாடுகளுக்கு அனுப்பிவைத்து தங்களுடைய வருமானத்தைப் பெருக்கிக் கொண்டிருக்கிறார்கள். அப்படிப்பட்டவர்களுக்கு வரி விதிக்க வேண்டியதுதான் என்பதை இந்த சந்தர்ப்பத்தில் கனம் ரிவினியூ மந்திரி அவர்களுக்கு தெரிவித்துக்கொள்ள விரும்புகிறேன்.

“வெளி நாட்டிலிருந்து வந்த வெள்ளையர்கள் இன்னும் நம்முடைய நாட்டில் தங்களுடைய பிடிப்பை வைத்துக் கொண்டிருக்கிறார்கள். இந்த நாட்டின் வளப்பத்தை அனுபவித்துக்கொண்டு அதிலிருந்து வரும் வருமானத்தை வெளிநாடுகளுக்கு அனுப்பிக் கொண்டிருக்கிறார்கள். அதனால் நம் நாட்டிலுள்ள சகல வளர்ச்சியும் பாதிக்கப்படுகிறது. சென்ற ஏழு அல்லது எட்டு ஆண்டுகளாக நமக்கு சுதந்திரம் வந்தும் கூட நம்மால் அதை அனுபவிக்க முடியவில்லை. பணம் இல்லை, பணம் இல்லை என்று சொல்வதாகத்தான் இருக்கிறது. அதனால் நமது நாட்டின் வாழ்க்கைத் தரம் வீழ்ந்து விட்டது. வீழ்ந்துகொண்டிருவதையும் நாம் பார்க்கிறோம். நமக்கு வாங்கும் சக்தி இல்லாமல் நாசமாகிக் கொண்டு வருகிறோம். இப்பொழுது ஐந்து ஆண்டு திட்டம் வந்தும் கூட அதற்கு வேண்டிய பணம் நம் கையில் இல்லை. இந் நிலையிலும் வெள்ளைக்காரன் நம்நாட்டிலிருந்து சுரண்டிக் கொண்டு போய்க்கொண்டிருக்கிறான். இன்னும் அவர்களுடைய சுரண்டல் நடந்துகொண்டிருக்கிறது. இந்நாட்டில் வெள்ளைக்காரனுடைய சுரண்டல் இருக்கும்வரையில் நாம் எந்த விதத்திலும் வேகமாக முன்னேற்றமடைய முடியாது. இதை கவனத்தில் வைத்துக்கொள்ள வேண்டும் என்று வற்புறுத்திக் கூறுகிறேன். இது இந்நாட்டினருக்குப் போடக்

9th August 1954] [Sri C. Kandasamy]

கூடிய வரி விதிப்பு இல்லை. இன்றைய தினம் வெள்ளையர்கள் கோடிக்கணக்காக இந்நாட்டிலிருந்து சம்பாதித்துக்கொண்டு போய்க்கொண்டிருக்கிறார்கள். அதை கணக்கில் எடுத்துக்கொண்டு வரி விதிக்க வேண்டும். எதிர்கட்சி எப்பொழுதும் குற்றம் சொல்லிக்கொண்டே இருக்கிறார்கள் என்று அடிக்கடி குறை சொல்லப்படுகிறது. அரசாங்கத்தின் வருமானத்தைப் பெருக்குவதற்கு அக்கறை கிடையாது, செலவினங்களை அதிகரிக்கத் தான் பேசிக் கொண்டே இருப்பார்கள் என்று இந்த மந்திரி சபை பல சந்தர்ப்பங்களில் சொல்லி இருக்கிறது. அதிகப்படியாக வருமானத்தைப் பெருக்குவதற்கு வழி இருக்கும்போது எதிர் கட்சிக்காரர்கள் சொல்லக் கூடிய யோசனைகளை எந்த விகல்பம் இல்லாமலும் எடுத்துக்கொள்ள வேண்டும். அவ்விதமே அரசாங்கமும் எடுத்துக் கொள்ளும் என்றே நினைக்கிறேன்.

“அடுத்தபடியாக நான்கு அல்லது ஐந்து ஏக்கரா வைத்துக் கொண்டிருக்கும் சிறு விவசாயிகளுக்கு வரி விதிப்பில் திட்ட வட்டமான கொள்கை வைத்துக் கொண்டு அவர்களுக்கு நிவாரணம் அளிக்கவேண்டும். அவர்களுடைய வரியைக் குறைக்க வேண்டும். அதற்கு வேண்டிய சட்டம் கொண்டுவந்தால் உண்மையாகவே விவசாயிகளுக்கு அரசாங்கத்தினிடம் ஒரு நல்லெண்ணம் ஏற்படும் என்பதை தெரிவித்துக்கொண்டு மற்ற விஷயங்களை பொறுக்குக் கமிட்டி நன்றாக பரிசீலனை செய்ய வேண்டும் என்று கேட்டுக் கொண்டு இந்த விதத்தில் என்னுடைய அபிப்பிராயத்தை தெரிவித்துக்கொண்டு என்னுடைய இடத்தில் அமறுகிறேன்.”

RAJA MUTHIAH CHETTIAR or CHETTINAD :—“ Mr. Deputy Speaker, Sir, I am not here to oppose this Bill. It is now agreed that when the income of a person or a company goes beyond a particular limit, it should be taxed sufficiently well. The question now is not whether the tax should be levied or not. The question is how far and how much of the income should be taxed. Sir, in this connection, we should not forget the fact that in South India, the planters have not yet provided all the amenities for the labour employed on the plantations compared to what I have seen provided for labour in the estates in the island of Ceylon. In Ceylon, the labourers now enjoy much more amenities than what they enjoyed in the past. I do not say this House or this Government are responsible for the fate of labourers here. Those who were in charge of the administration here and in Delhi are responsible for it. Anyhow, the matter has since been taken up seriously and the Plantation Labour Act has been passed. About ten days or a fortnight ago, there was a big conference of all the parties concerned at Ootacamund and a big programme of expenditure on labour welfare has been drawn up. I would like to ask: ‘Are we not interested in these amenities being provided for the labour employed on the estates?’ The provision of these amenities while bringing relief and comfort to labourers will also improve the standard and efficiency of the estates and also production on the estate which will ultimately bring in more revenue to the Government. While considering the question of imposing a tax on the income derived from these estates, we should not be thinking of the ordinary agricultural crops like paddy and the rest. Growing of paddy is very much different from the cultivation of a plantation. The latter requires expert knowledge and constant day to day supervision. These plantations have been brought into existence by the hard work of hundreds and hundreds of efficient

[Raja Muthiah Chettiar of Chettinad]

[9th August 1954]

European planters. Even now there are a number of them here. A large number of Indian planters are also there now. In this connexion, I would like to state I have no plantation in the Madras State at all. Therefore, I can give my dispassionate view on this question. Even if I should own an estate, I need not be ashamed to say so. It is very necessary that we should look after the welfare of the labourers on the estate. Nowadays, the planters have to act as the trustees of these estates. They have many obligations to fulfil. At the same time, we should not also forget the fact that the produce from these plantations has to face a lot of competition in the world market. We, in South India, think that coffee crop is a very big crop in South India. If the production of coffee here is compared to the world production, it is not even one per cent of the total production of coffee in the world. Ninety-nine per cent of the world production is raised elsewhere, in countries like Brazil, Argentine and others. Occasionally also the produce there is used as fuel. This was done formerly but not nowadays. Now they want to increase their production as they do not want to lose their American market. Now the Hon. Minister in charge of Commerce and Industry in New Delhi is anxious to bring down the price of coffee. How can the price of coffee be brought down, when it is proposed to impose a tax on plantation crops at the rates referred to in the Bill, and when all the amenities contemplated in the Plantation Labour Act have to be provided before the year 1955? In addition to these, we also say that the investment market should not be let down. We say that smaller men should be allowed to contribute to the starting of industries. How can we achieve all these four or five things together in the same place? It is not possible. I am most certain that labour on the estates will not get all that is necessary if the Bill goes through as it is. It is all easy for the Minister on the Treasury Bench to say, 'I am only copying Travancore-Cochin, I am not doing anything more'. The situation and circumstances in Travancore-Cochin are very different from what they are here. Even now, in most of the estates in Travancore-Cochin, labourers have not got all the amenities. The Plantation Labour Act has also to be implemented there. Why is it that the Act has not been fully implemented there? It is because of the high rate of taxation that is prevailing in that State, that it has not been possible for the planters to provide all the amenities contemplated under the Plantation Labour Act. What I say is this. Let the taxation Bill be passed but let there be a different method of taxation.

“ In this connexion, I may tell the Hon. Minister what I said during the discussion on the main Budget. I said then that the Hon. Minister for Finance had not made out a case for imposing fresh taxation, as the Budget was a surplus Budget and not a deficit Budget. I said it was a surplus Budget because, credit was not given for the Rs. 68 lakhs he ought to get from the Government of India for expenditure on the National Extension Service Scheme.

9th August 1954] [Raja Muthiah Chettiar of Chettinad]

Even now, it is reported that the amount of revenue expected from this tax will be only about Rs. 7 to Rs. 12 lakhs. It is absolutely wrong. I think Government will be collecting at least a few crores of rupees which is unnecessary at the moment.

" In this connexion, I would also like to draw the attention of the Hon. the Leader of the House and the Hon. the Leader of the Opposition particularly to this fact. The Hon. the Leader of the Opposition should not get into the trap for after all it is only a trap. If I were in his place, I would not support the Bill. Let not the Hon. the Leader of the Opposition think that by the imposition of this tax, labour will get all that they want. I am pretty certain about that. Let us not be in a hurry to introduce this measure now. Let us wait for a few years. Let us examine the question thoroughly. After all, the balance sheets of the companies are available. We know the income from these plantations, rubber, coffee and tea, in the different areas. Every year, we meet and raise the taxation that is necessary. In this case also, if there is surplus after all the amenities are provided for the labour on the estate, we can impose or raise the tax.

" Then, Sir, I will point out certain other defects in the present Bill which will show that the method of taxation itself is wrong. The Government can tax and they want to get Rs. 20 lakhs. I will suggest a scheme which will give Rs. 40 lakhs. It will be a better scheme and the Government can collect Rs. 40 lakhs without all the cumbersome procedure envisaged in this bad legislation. This Bill is absolutely badly drafted. I do not want to blame anybody. I am not going into personalities. But I want to indict the Government of Madras and the Law Department for the bad drafting of this legislation. They will be unable to re-draft it even if it is sent to them again. They can import some people to draft a Bill of this kind. The Law Department of the Government of Madras have tried to copy some provisions of the Income-tax Act and some other provisions of the Agricultural Income-tax Act in Travancore-Cochin. They have not tried to copy some other good provisions of these Acts.

12-40
P.M.

" The cardinal principle of taxation in the present Bill is that they want to exempt persons with an agricultural income of less than Rs. 3,000. That is understood clearly but it is not put into effect. I shall presently explain the position as it exists now. Of course, the Hon. Chief Minister told me that it is not the intention of the Government to make persons who own 30 to 50 acres and whose income is less than Rs. 3,000 pay agricultural income-tax as they may not keep proper accounts. But I am not satisfied with that explanation. It is not as if a person gets Rs. 3,000 as income from agriculture alone and it is a mistake if we think so. I will give an instance, where a person with an income of Rs. 2,000 from agriculture is paying income-tax. Supposing a person gets a dividend of Rs. 1,000 from a company which pays agricultural income-tax and no exemption is given to him, according to the

[Raja Muthiah Chettiar of Chettinad] [9th August 1954]

present Bill. The Government want to help the common man and they seek the help of small investors. (Interruption from Sri M. Kalyanasundram.) No refund is provided for in the Bill. I am speaking subject to correction. Our idea is that this refund should be provided for in the Bill. That is my object in mentioning it. The object of the Government is to exempt a person with an income of less than Rs. 3,000 and who has no other income. But unfortunately if he gets a dividend of Rs. 1,000 or Rs. 2,000 from a cardamom estate which is a limited concern, he will not get any refund or rebate. The provision for refund must find a place in the Bill. It is the object of the Government to exempt one-sixth of the total income from agriculture. Suppose the one-sixth of the income from a company is more than a particular amount, there again the company has to pay a double tax. If a person gets a dividend of Rs. 10,000 and an income of Rs. 15,000 from agriculture, roughly about Rs. 4,000 that is one-sixth of Rs. 25,000 is exempted from the agricultural income-tax. The other Rs. 6,000 out of Rs. 10,000 will be subject to agricultural income-tax. Is it fair to levy such a tax?"

SRI P. RAMAMURTHI:—"The Raja of Chettinad was now making out . . ."

DEPUTY SPEAKER:—"The Hon. the Minister will reply to it."

SRI P. RAMAMURTHI:—"I should like to know whether he gives interpretation to clause 10 (b) of the Bill. Clause 10 (b) says :

'(b) any dividend which he receives as a share-holder out of the agricultural income of a company which has certified that it has paid or will pay the tax under this Act in respect of the agricultural income of such company;'

Does his interpretation cover this clause or not?"

RAJA MUTHIAH CHETTIAR OF CHETTINAD:—"This clause is defective. Only one-sixth of the total agricultural income is exempted from agricultural income-tax. Now, I would like to draw the attention of the hon. Leader of the Opposition to this important aspect of the matter. Just now I was referring to a specific instance where a person getting an income of Rs. 15,000 from agriculture and Rs. 10,000 as dividend from a company was liable to pay a double tax. Out of this total income of Rs. 25,000 roughly about Rs. 4,000, that is one-sixth of the total income is exempted from the agricultural income-tax and the other Rs. 6,000 is subject to another income-tax, which is not the intention of the Bill. Therefore, this clause requires some change. The Government want to exempt persons who get an income of less than Rs. 3,000 only from agriculture. In the case of a person who gets a dividend of Rs. 2,500 from an agricultural company which has already paid the tax, no refund is given. If the Government really want to carry out the intentions of the Bill, this provision should

9th August 1954] [Raja Muthiah Chettiar of Chettinad]

be suitably amended. If the Government want to camouflage their intentions, I have nothing to say about it. I do not think they have looked into the provisions carefully.

“ Regarding the general question of taxation itself, I have already stated enough to show that the finances of this Government do not require a measure with this rate of taxation. It is harmful to have such a rate of taxation for it will impair the efficiency of the estates. It will also affect the amenities to be provided for labour. Lastly, this is not a property which yields an income of its own for ever. It has to be looked after carefully and properly maintained. After a period of 15 to 20 years, re-planting has to be done which entails a heavy expenditure. The expenditure involved in re-planting comes to the actual cost of an estate. If we do not re-plant 1,000 or 2,000 trees on coffee or tea estates every year, ultimately the estates will be ruined. Suppose a person owns about 500 acres and out of these 500 acres, 25 acres may be exempted for income-tax purposes. Some such proportion should be fixed. Let the Government fix that five per cent of the acreage may be allowed for re-planting. As a matter of fact, in countries like Malaya and Ceylon, they have got a rehabilitation fund. The Government themselves collect a certain amount and also contribute some amount to that fund. For instance, in Ceylon out of the profits a certain percentage is collected per acre for the purpose of re-planting. They give it in stages and they send their Inspector to inspect the estates and report whether the estates require re-planting. Periodically money is being given for re-planting. They are all interested in re-planting. Thus the income of the planters is not cut down heavily. So also here, the Government can allow a certain admissible number of acres which they consider as reasonable to be exempted from this income-tax. They can find out from their experts and experienced planters what will be the reasonable percentage of acreage which is necessary for re-planting. Unless this is done, the intentions of the Bill will not be carried out. Therefore, the basic principle behind this Bill is not right. The only principle underlying this Bill is to get money for the Government and nothing else. If that is the only thing that the Government have in view, they could get it even without these 42 pages of bad law.

“ My own impression is that the Government's objective can be achieved and the taxes also can be varied from time to time. We have got cardamom, rubber, tea and coffee plantations. Let the Government levy a tax per acre, say Rs. 25 for cardamom, Rs. 35 for coffee, Rs. 50 for tea and so on. These rates could be revised year after year through notifications which shall be placed on the table of the House for its approval. In a particular year, all the four crops may not be equally good and three out of the four may be flourishing and may get good prices. Therefore, with reference to the crop which is able to get a good price in the market, the Government could raise the taxation on that crop. So, I would submit that the entire basis must be changed.

12-50
P.M.

[Raja Muthiah Chettiar of Chettinad] [9th August 1954]

“ The Government have said that they expect to get only about Rs. 7 to 12 lakhs out of this tax. Their idea is really to raise more money though they do not say so. We recently passed legislation authorizing the levy of a surcharge on land revenue. We said that for amounts over Rs. 1,000 the surcharge shall be 8 annas. But in regard to these plantations the surcharge is 10 annas. In the case of the paddy-growing lands where the surcharge is only 8 annas, the owners are not expected to provide the labourers with as much amenities as a plantation owner is expected to provide for his labour. We must take into consideration the fact that this kind of a taxation is going to be levied now for the first time and we must also take note of the fact that these crops have to stand competition from world markets. It will therefore be only fair to consider the possibility of levying this extra tax on an acreage basis. It can be laid down that owners of more than a particular number of acres shall be subject to this extra taxation. This will obviate problems relating to refunds and granting of exemptions, etc. There will be no necessity for such cumbrous legislation and for such a cumbrous machinery to enforce it. No Income-tax Officers will be necessary and the Revenue Department can collect this tax also. I would, therefore, commend to the Government to seriously consider this suggestion.

“ Finally, I am not opposed to the levy of this tax on plantations but I am only pointing out the serious defects in this Bill which can easily be remedied. I do hope that the Government will consider these along with other suggestions which may be placed before the Select Committee and when the Bill emerges from the Select Committee and comes up before this House it will be a reasonable piece of legislation.”

* SRI H. B. ARI GOWDER :—“ Mr. Deputy Speaker, Sir, initially I am under the disadvantage of being one of the very few Members acquainted with the problems of the plantation industry trying to convince a large body of Members who have made up their minds against the industry. Already an indication has been given by my hon. Friend, Sri Manali Kandasamy, as to the attitude of the party to which he belongs. I am grateful, however, to my hon. Friend the Raja Sahib of Chettinad, a great spokesman of the plantation industry. I think he has dealt with the problems of the industry in a way. Besides what he has said, every Member of this Hon. House, I believe, has received a copy of the printed circular from the Chairman of the United Planters' Association of South India. Certain broad principles have been discussed in it and Members who wish to know more about the plantation industry will have an opportunity of doing so later on after the sitting of the Select Committee. At the moment, the entire principle on which the Communists have based their viewpoint to support the Government is wrong. Evidently, what the party and the Leader of the Opposition wants to do is to see that the money that is supposed to go to the planters who are mostly foreigners does not go to the countries of their origin. If this is

9th August 1954] [Sri H. B. Ari Gowder]

their aim, let them see to it that the money does not go to foreign countries and that every pie of it having a reasonable margin, is spent here in this country for providing amenities for the labourers whose cause they have at heart and for improving the condition of life in their district. Instead, if we are going to tax the foreigners much beyond their capacity to pay, the echo of the tramway workers will be heard there before long. One wet evening we will hear that the plantation industry has been closed down just as the tramway company was closed down in Madras. The reaction will be upon us and upon our men and women who will have to cry in the wilderness.

“ Now, Sir, before the Select Committee sits, I make an appeal to the Hon. the Minister for Revenue to get figures from the plantation firms regarding the profits they are making and the amounts they are sending home. If he finds that a large sum goes out of this country, the remedy lies in his hands but, on the other hand, if it is not so much as it is made out to be, let him deal with the industry as it deserves.

“ It goes without saying that what affects the whole of the industry affects parts of the industry also. If he wants to make an exception in the case of the small growers, he will not be giving them the facilities that he wants to give by taxing the industry as a whole. The small growers are irrevocably linked up with the bigger interests and when the bigger interests suffer the smaller interests will also suffer. While the bigger interests can hold out for some time more the smaller interests will have to close down their show immediately. They have hardly recovered from the effects of the recession which has been of frequent occurrence during the last twenty years. Twenty years ago men holding or owning small or big plantations had to abandon them altogether. Without any exaggeration, let me assure the Hon. the Minister for Revenue that that was the condition. They could not make even enough money to pay the labourers working in the estates. The prospect was very gloomy then. Well, the international agreement on the control of tea plantations came to our rescue. Even now we are not out of the woods altogether. There are certain countries which are not signatories to the control scheme. They are going in for tea and other cultivation without any restriction whatsoever and when their products are in the market we have to look around for safety. That is the position at present.

“ What the Government of this State want is money. Very **1 p.m.** well, they are getting it from the people in different ways. Plantation is a very heavily taxed industry. Government are getting sales-tax for green leaves and for black tea. Besides these, the Government are getting income-tax on green leaves indirectly through sale of export rights and black tea. Then there is the excise duty and many other taxes. Again, we have to comply with the provisions of the Act governing the labour force employed in the industry, and this consumes a lot of money. If anything more is left, it has to be ploughed back into the industry and should

[Sri H. B. Ari Gowder] [9th August 1954]

not be taken away by the Government. If the Government take away what little can be spared to be ploughed back, there will be nothing left for the industry. The industry will starve and in course of time it will die out and the Government will have none but themselves to thank for the consequences.

“ This industry is a dollar-earning industry much more than any other industry. By levying this tax, the Government will be cutting their own throat. This Government may say that after all it is the Government of India that will derive revenue from the dollar earnings. But they forget that this Government is getting money from the Government of India also. So I am advising the Government not to kill the proverbial goose that lays the golden eggs.

“ Some hon. Members of this House evidently think that this discussion at the moment affects the plantation area only and therefore they are free to support this measure. But as the Hon. Minister has already stated they will have their turn too. The Hon. Minister is not going to spare them. Income-tax on other agricultural products will be levied in due course, when they will wake up and will protest in vain. If they support this measure, then they will have to support other measures levying income-tax on other agricultural products. What is sauce for the goose is sauce for the gander.

“ I once again turn to my Communist Friends. They think that they can give support to this measure because only foreign investors will be affected by it. As I told them before, I will say again, ‘ you will be cutting the nose to spite the face ’. That is what it will come to.

“ I hope the Government will be pleased to drop this Bill or postpone it for the time being, for a couple of years or at least for one year. If it is the desire of the Communist Members to put foreign investors out of the industry and then take over the estates and change the law, I must point out that foreign investors are ready to leave the country even now if they get buyers among our own nationals. Who can buy these estates when so much tax is levied on them? In fact the Government are effectively checking the prospect of our nationals buying those estates from foreigners. Give some more time and then we can have the estates in our own hands. The Government can review the position then and if they want, let them tax and tax every industry to death. By levying more and more taxes the Government will be making the lives of the people miserable. The Hon. Ministers are out of touch with the condition of the people at present. There is a general depression all over and particularly in my district it is very difficult for people to make both ends meet.

“ It may appear easy for richer people to keep accounts, because they know how to safeguard their own interests. It is only the poor men including the middle-class men that suffer the consequences. To keep accounts is a great headache and it is an

9th August 1954] [Sri H. B. Ari Gowder]

ordeal to go through it with the officials. The Government are making the lives of the people anything but happy. This is not democracy, I am afraid. It may suit some people or other but it is not the way of life we like to live. For God's sake, drop all these legislations at least for sometime to come. We have had a surfeit of them. Thank you."

SRI E. L. RAGHAVA MUDALIYAR :—" Mr. Deputy Speaker, Sir, this legislation has been proposed to make up the small deficit which was anticipated in the last Budget. As Raja Muthiah Chettiar of Chettinad pointed out, the last Budget was not a deficit Budget at all. After hearing his well-reasoned speech, I do not think there is any necessity for additional taxation. The amount of revenue expected from this tax is very small. This agricultural income-tax is a new tax. I hear agricultural income-tax is levied in the Travancore-Cochin State. We must be familiar with the working of the agricultural income-tax in that State. A Special Officer has been deputed by the Government to study the working of that Act, in that State. It is better that we await a full study of the working of the Act in that State. We are proposing to levy a tax on a product, seventy-five per cent of which is being exported. We have to encourage people dealing in exportable products, until we get a favourable balance of payments position. The price of these products have not been fixed and planters have to face competition in international market. When they have to face such competition in the international market, it is better that we allow them some concessions and see that they are strong enough to compete with the other markets in the world. Further tea is an article which is subject to a lot of tax by the Central Government. An excise duty is levied on it. Apart from several other taxes levied on it, we are now imposing this tax on it. After all, tea is a common beverage which is consumed even by the poorest of the labourers. We must see that we keep the price level of tea as low as possible. Hon. Member Raja Muthiah Chettiar of Chettinad, in the course of his speech pointed out that the total production of coffee in India is less than one per cent of world's production of coffee. The price of coffee is already very high in our country. Agricultural income-tax should not be levied on this product if we wish to increase its production.

" Rubber is another strategic material for which many foreign nations are fighting. It is a war material and production of rubber ought to be encouraged in our country instead of increasing the tax burden. In addition to these things, instead of proceeding with this measure in a hurry the Raja of Chettinad suggested an alternative method which of course will not be welcomed by the planters."

1-10
p.m.

RAJA MUTHIAH CHETTIAR OF CHETTINAD :—" The hon. Member cannot say that the planters will not agree to it."

[9th August 1954]

SRI E. L. RAGHAVA MUDALIAR :—“ Income-tax is supposed to be paid by those who get income above a specified level. Levy of a flat rate of Rs. 35 for every planter for particular crops as suggested by the Raja of Chettinad, will ruin many planters on account of the fact that they have already to pay income-tax over and above a specified level to the Centre. Therefore the levy of a flat rate will ruin many of them.

“ At the present moment, the Taxation Enquiry Commission is in the midst of its labours and we have not yet received the report of the Commission. Further, I hear there is already a special Commission on plantation industry. Before we launch on taxation of plantations, it is better we know the conditions under which the planters live. It is better for us to receive the report of the Plantation Commission, which will give us all details. Until then it is better to defer this tax on plantations.

“ While thanking you, Mr. Deputy Speaker, for having given me an opportunity to speak, I once again repeat that taking into consideration what all I have said before, it is better we postpone consideration of this Bill for one more year.”

* **SRI B. VALKUNTA BALIGA** :—“ Mr. Deputy Speaker, Sir, the measure that is before the House now is a taxation measure. Naturally we have to expect a certain kind of unwelcome response to it and particularly from those that are closely associated with the plantation industry. But at the same time, the House has to remember that funds have to be found for the various ameliorative measures that are bound to be taken up in any Welfare State. Ours is a Welfare State and there is no question of denying that fact. Funds are, therefore, necessary to carry out ameliorative measures; and in order to find the necessary funds, an exploration had to be made of the various avenues that are possible for being taxed. If agricultural income-tax is inevitable in course of time, is there any doubt that the five categories now taken in the plantation industry are the best ones that could be tackled first? Therefore, that doubt is set at rest because the step that has been taken by Government is a step in the right direction.

“ With regard to the various ideas, that have been enunciated, viz., that this is not the correct approach, that this should be deferred by one or two years, let me say that those fears cannot be entertained for the reason that this tax has been tried in another State and has been found to be workable. Therefore having regard to all the statistics and information now available, there is no doubt that the decision that has been taken by Government is one in the right direction.

“ If it is once found that there is a source of taxation, the question arises with regard to the various approaches that are to be made for realizing the tax. In assessing the income for levying this tax, I personally feel that it would be better to follow

9th August 1954] [Sri B. Vaikunta Baliga]

the provisions of the Indian Income-tax Act. What I have in my mind is that even in assessing income-tax on profits, a certain amount is allowed by way of earned income and only the rest is subject to taxation. I am for due allowance being made for those who are employed in plantations and who maintain the plantations in an efficient manner. I find from the draft bill now before the House that this idea has been entirely lost sight of. If there are a number of persons who are actually engaged in planting and who devote their time and energy there, surely their labour ought to be reckoned with. I do hope that the Select Committee would take into account this factor.

“ There are many imperfections in all the chapters. In the first chapter itself even with regard to the definition of various terms, I find there are certain inconsistencies and misconstructions as reflected in the succeeding chapters. In the next chapter, viz., the ‘ charging section ’ as it is called, I find that this is rather vague. Adequate attention should be bestowed as to whether certain allowances should or should not be made and the term more strictly defined as to who is the person that is going to be responsible for the payment of the tax and as to who it is who should be charged. Clause 3 which deals with the charging of agricultural income-tax does not deal with the persons and the provisions that are in the succeeding clauses do not co-ordinate or co-relate properly to the person that is liable to pay the tax. I do hope that the Select Committee will bear this in mind and eliminate those aspects which are in the statute and which are capable of double construction, dubious interpretation, equivocation or lacunae. I would seriously suggest that so far as the total income that is to be reckoned for purposes of taxation is concerned, it may be dropped for the present and only the actual income that is got may be taken as the basis or unit on which taxation should be levied irrespective of what other total income is. After all, world or total income is a new idea that has sprung up of late and is in its initial stages. I would appeal to Government to see whether the actual income derived cannot be taken as the basis on which this tax could be levied.

“ With regard to the procedure that should be followed, I would appeal to the Hon. Minister that inasmuch as this is a new taxation measure and there might be some sort of agitation also, a lot of educative propaganda may be carried out so that tax-payers might know their obligations and their rights. I would also like that persons in authority would be fully alive to their responsibilities, and that technicalities of the department, if I may so call them, will not interrupt the smooth working of the present Act and that sympathy and consideration and not strict application of the letter of the law will be shown in every case. I would also suggest that definite and precise definitions would be laid down, thus avoiding dubious interpretation. I hope the Select Committee would bear this in mind.

[Sri B. Vaikunta Baliga] [9th August 1954]

"I find that certain rules are to be framed as to the manner in which and the procedure by which agricultural income of a person shall be computed. Instead of delegated legislation, in the form of rule making, I would suggest that the Select Committee itself would formulate the precise principles on which revenue could be collected. On the whole, I support the measure that is brought before the House. It is very wise that it is referred to a Select Committee. I do hope the Select Committee would go into the *pros and cons* and lay down precise principles under which the tax could be levied.

"Of course one or two previous speakers spoke against the Bill but I personally feel that those apprehensions are more imaginary than real. It may be a hardship whenever a taxation measure is imposed. It is a burden no doubt on some. But at the same time we have to discharge our duties for the establishment of a Welfare State. I am sure that this measure when it is in the Select Committee stage will receive all attention on all aspects and the Bill after it comes out of the Select Committee will allay the apprehensions of all those who have now spoken against it and that it would be a welcome measure designed in the interests of the State. Therefore, with these words, I support the Bill and I thank you, Sir, for having given me an opportunity to place my views on this subject."

1-20
m.

* SRI M. NARAYANA KURUP :—"Mr. Deputy Speaker, Sir, I am one of those who believe in the idea of progressive taxation, but I must confess that I am not satisfied with the way in which the idea is implemented by this Government. Taxation measures must serve a two-fold purpose. On the one hand, they must bring money to the coffers of the State and on the other, which I consider the more important one, they must be directed towards an equalization of the income, ultimately helping the formation of an egalitarian society. It has been said that this measure is justifiable because this Government is one which is committed to the idea of a Welfare State or it may even be, as accepted by the Prime Minister of India, a Socialist State. Sir, my complaint is that while the Government proclaim, whenever a measure of taxation is brought, that it is with a view to the establishment of a Welfare State, they are solely and mainly guided by the exigencies of finance only. This has been referred to by more than one speaker. Otherwise, under the changed circumstances when a Taxation Enquiry Commission has been appointed and is about to submit its report, one would have waited for its recommendations to see what comprehensive measures are to be adopted for the attainment of our objective. We may proclaim an objective, but unless we get a comprehensive picture of the same, these piecemeal measures when executed will not help us in achieving our objective. It would be like an artist who, without a model before him, wants to paint a picture of a human-being, but ends with that of a monkey. Though we may execute the different portions at different times, they must fit in into the

9th August 1954] [Sri M. Narayana Kurup]

pattern and then only when the whole thing is completed we will have a picture or the idea that we wanted. Otherwise, measure after measure will be brought and at one stage the Government would have exhausted all the taxation measures intended for the establishment of a Welfare State which may even then remain the El Dorado. Therefore, I would submit that these things ought to have been brought as part of a comprehensive Bill, which should be well thought out and then only such measures should be brought before this House. Though we talk incessantly about the establishment of a Welfare State, there is yet no clear idea as to the steps we are going to take to implement or to bring into existence our cherished goal.

“ Then, Sir, I said that this is a piecemeal legislation and in any piecemeal legislation, unwittingly often, the hammer hits the same nail on the head. For instance, it was only recently that we passed the Land Revenue Surcharge Bill. Now, this Bill also applies to the same lands which are liable to the surcharge. In the Bill provision is made for deducting land revenue, but surcharge is not included as one of the deductions. Another obnoxious feature in that this is a multi-point agricultural income-tax. Persons owning rights successively in the property as the shareholders of a company or the junior members of a tarwad are made liable to pay this agricultural income-tax. This involves a certain amount of discrimination. One man may own an estate which may be mainly of paddy lands. Another may own an estate which is mainly of plantations. The income derived from both is agricultural income. There would have been no grievance if a bill to tax agricultural income generally has been brought. But here some kind of agricultural income is left off and discrimination has been made.

“ Enough has been said and I too feel that the provisions in this Bill are not clear. They are ill-drafted. Let us now take the definition of ‘ person ’ in this Bill. We all know that sthanams and sthanees are well-known institutions in Malabar and without doing violence to language, one cannot bring them within the definition of ‘ person ’. That is one instance. With regard to joint families, a difference is made between sub-sections three and four of section 3 and sections 28 and 41. They have to be gone into very carefully. We all know that the right of a junior member for a claim against the tarwad is affected only to the extent of the tarwad rights, but if section 41 is taken at its face value, it would mean that not only the rights of the tarwad will be sold but also the rights of the junior member or the *ananthiravan* will be sold. It would mean that a junior member may have separate rights though the ownership of the property might belong to the tarwad. If I read the section correct, the interpretation would mean that not only the tarwad rights including those of the junior members but even the personal rights of the junior members in the tarwad property would be sold. This is a matter that has to be examined.

[Sri M. Narayana Kurup] [9th August 1954]

“ Then, Sir, there is a certain amount of conflict between section 33 and the other sections providing for revision, appeal, etc. It is laborious process and much time is involved. When once the tax is assessed and fixed, the authorities may go on taking coercive steps to collect it and there is no provision to stay execution until the matter is finally disposed of. Not even discretion is given to the appellate authority. That is one of the defects which I find. It is provided in section 33 that the Commissioner may, of his own motion or on an application by the assessee, call for the record of any proceeding which has been taken by any authority subordinate to him and may pass such orders thereon as he thinks fit. It is not clear whether this would apply to cases where there are appeals. That is not made clear. That is why I said there is a certain amount of conflict. Even if there is no appeal, it is open to the Commissioner to call for the papers and either enhance the tax or confirm it.

“ Then, I would like to deal with one more point relating to total agricultural income.”

DEPUTY SPEAKER :—“ The hon. Member may continue his speech after lunch. The House will now adjourn for lunch and meet again at 2-30 p.m.”

(After lunch—2-30 p.m.)

* SRI M. NARAYANA KURUP :—“ Sir, I was dealing with total agricultural income which is defined as all the income derived by a person except that derived from trust and other legal obligations wholly for religious or charitable purposes. We know that a person may get income or own property without being for religious or charitable purpose in entirely different capacities and for that purpose a man is considered to be a different legal entity for separate income. I think the clubbing of these two incomes together is not warranted, because each income in its own way is entitled to be considered separately.

“ A passing mention was made of the Travancore-Cochin Act. I submit that that analogy does not apply here. It is very often forgotten that the land tax in Travancore-Cochin State is rupees 1-9-0 per acre, whereas in our State the lands are burdened with a land revenue ranging from five to twelve times the rate prevailing in the Travancore-Cochin State and also with a surcharge.

“ I want to say a few words concerning the junior members. In a joint Hindu Mitakshara family, the question will not arise because there is very often or always no conflict between one's legal obligation and natural affections. But that is not so in the case of Aliyasanthana and Marumakkattayam families. Anybody who is acquainted with the history of Malabar litigation and court proceedings will be aware of it. Here the karnavan is the sole representative. He may not care very much whatever be the tax that is imposed upon the tarwad. He might even default in payment and see that his wife, child or someone else bids at the sale binami for him to get at the property. Though the circumstances

9th August 1954] [Sri M. Narayana Kurup]

are changing, still the possibility is there. Therefore what I would plead for is that, as in civil courts, the junior members be given the right to take part in the proceedings connected with this also.

"Then, there is something mentioned about partition. It is said that any member of a Hindu undivided family, an Aliyasanthana family or branch or a Marumakkattayam tarwad or tavazhi is entitled to inform the Commissioner about the partition who, on making an enquiry, will record the fact and that if he does not record it, the family will be considered as joint for the purpose of this Act. It is well known that a joint family cannot be artificially created by a Statute and it is really imposing unreasonable restrictions on the enjoyment and disposition of property, and I very much doubt the legal validity of the sub-clause which deals with this matter. It may very well be that the whole tarwad will be liable for the arrears due up to the end of the partition. But if the partition is *bona fide* there is a severance of status in fact and it does not depend upon the Commissioner's recording or not recording. Therefore I submit that to that extent the sub-clause seems to me to be repugnant.

"These are matters that will have to be considered deeply by the Select Committee. These are a few instances of the very vague and bad drafting in this Bill.

"It is said that deductions will be made for amounts collected as land revenue in the previous year. It might as well be that the amount might be recovered not from the superior landowner but by third parties by coercive processes. It is not clear whether recovery by third parties by coercive processes will be considered as payment. The clause it seems to me, is not capable of any such interpretation. There is a provision for indemnity which indemnifies the payment of only agricultural tax that is payable in this respect. I think that is a clear defect in the drafting.

"Finally, I would only say that in the matter of deduction, nothing is allowed for capital expenditure. We all know that the very tax itself is necessitated because of capital investment. We must view things in the perspective of the aged man of one hundred years planting a mango tree. We are not enjoying the fruits of our own labour. Therefore provision must be made for capital investment; may be that it is spread over a number of years.

"Viewing the Bill in this light, I find that, though its principle is acceptable to me, it has not been properly utilized for achieving the object in view."

* SRI C. H. KANARAN :—"മിസ്റ്റർ സെക്രട്ടറി സിറ, സർ, ഈ ബില്ലിൽ സർവ്വതോമുഖമായും സമാഹരിക്കപ്പെട്ടിരിക്കുന്നു. കർഷകസമ്പ്രദായത്തിനാണ് ശരിയായ നികുതി സമ്പ്രദായമെന്നുള്ള കല്പനയ്ക്ക് വാട്ടിയുടെ അടിപ്രായം ഇവിടെ ആദ്യമേതന്നെ പ്രസ്താവിക്കപ്പെട്ടിട്ടുണ്ട്. ഇന്നുള്ള നികുതിസമ്പ്രദായം ഏതാണെന്ന പരിശോധിക്കൽ ഏറ്റവും കുറഞ്ഞ ആദായം ഉള്ളതിന്നു കൂടുതലും ഏറ്റവും കൂടുതൽ ആദായമുള്ളതിന്നു ഏറ്റവും കുറവുമാണ് നികുതികെട്ടുന്നതെന്നു കാണാം. ഈ ക്രമരേഖകളെല്ലാം മാനി

2-40 p.m.

[Sri C. H. Kanaran]

[9th August 1954]

ആദായത്തിന്റെ ഭാരതസംവിധി നികുതികൊടുക്കുന്ന ഒരു സമുദായം വളരെ അസ്വാഭാവികമാണെന്നു ഞങ്ങൾ എത്രയോ രവണ പ്രസ്താവിച്ചുകഴിഞ്ഞിട്ടുണ്ട്. ഈ ബില്ലുകൊണ്ട് ആ ഉദ്ദേശം പൂർണ്ണമായും സാധിക്കുന്നുണ്ടെന്നു ഞാൻ പറയുന്നില്ല. എങ്കിലും ആദായത്തെ അടിസ്ഥാനപ്പെടുത്തി നികുതി ഇടവകകളെന്ന തരം ഇതിൽ സീക്ടറുകളുണ്ടായിരിക്കുന്നതുകൊണ്ടാണ് അങ്ങനെയുള്ള ഇതിനെ കടവകകൾക്കു സീക്ടറാക്കുന്നത്. ഇതിലെ എല്ലാ വ്യവസ്ഥകളും സീക്ടറാക്കണമെന്നു ഞാൻ പറയുന്നില്ല. ഇതു സംബന്ധമേൽ ഇതു നികുതി എന്നല്ലാതെ ചില കൃഷിക്കാർ ഈ ബില്ലിൽ വെച്ചിട്ടുണ്ട്. അതല്ലാതെ കൂടി പരിശോധിക്കേണ്ടതാണ്. ഈ നികുതിയെ എതിർക്കുന്നവർ പറയുന്നത് ഈ നികുതി കൂടി ഉണ്ടെന്നു ആകമാനം തകർത്തുകൊടുക്കുമെന്നാണ്. ഇതിന്റെ അർത്ഥം എനിക്ക് മനസ്സിലാകുന്നില്ല. ആദായനികുതി കൊടുക്കുന്നത് ചെലവുകൾക്കുള്ള ആദായത്തിനാണ്. ചെലവുകൾക്കു കണക്കാക്കാനും ചെലവുകൾ വകയെടുക്കുകയെന്നതാണ് ആകെ മൊത്തം വരുമാനത്തിനുള്ള നികുതികൊടുക്കുന്നത്. മൂലായിരം രൂപ ആദായത്തിനാണ് നികുതികൊടുക്കേണ്ടതെന്ന്. ഇതു ചെലവു കഴിച്ചുള്ള അനാദായമാണ്.

“ ഈ നികുതി തൊഴിലാളികൾക്കു ഭേദമാകുമെന്ന്, തൊഴിലാളികൾക്കു വളരെ കഷ്ടപ്പാട് ഉണ്ടാകും എന്നാണ് മറ്റൊരു വാദം. തൊഴിലാളികൾക്കു കൊടുക്കേണ്ട കൂലിയും മറ്റും ആനുകൂല്യങ്ങളും കണക്കാക്കുന്നതായാണോ നികുതി കൊടുക്കുന്നത്? വലിയ വലിയ തോട്ടങ്ങളെ സംബന്ധിച്ചിടത്തോളം ഗവണ്മെന്റ് നിയന്ത്രിച്ചിട്ടുള്ള കൂലിയും മറ്റും ആനുകൂല്യങ്ങളും തൊഴിലാളികൾക്കു കിട്ടുന്നതോ എന്നു കണ്ടു പരിശോധിക്കേണ്ടതാണ്. അതുവരികെ വേരിൽ, സ്റ്റാലിന്റെ വേരിൽ, വെള്ളത്തിന്റെ വേരിൽ എന്നിവയെ നൂറുനൂറു ഇനങ്ങളുടെ വേരിൽ തൊഴിലാളികൾക്കെന്നു പറഞ്ഞു കണക്കാക്കുക എഴുതിവെച്ചിട്ടുണ്ട്. ഈ കണക്കുകൾ ആരെങ്കിലും പരിശോധിക്കുന്നതോ? ഇങ്ങനെ നൂറുനൂറു ഇനങ്ങളിലായി കള്ളക്കണക്കുകൾ എഴുതിവെച്ചതിനു ശേഷവും ഇ. ആൻഡ് ഏസ്, ലേബർ പ്ലാന്റർസ് മുതലായവർ വലിയ തോട്ടം ഉടമകൾക്കു കണ്ടമാനം ആദായം കിട്ടുന്നുണ്ട്. അതിന്റെ ഒരു ഭാഗം നികുതിയായി കൊടുക്കാൻ നിവൃത്തിയില്ല, അത് ഇടവകാർ പാടില്ല എന്നു പറയുന്നതിന്റെ അർത്ഥം എന്തായാലും ശരി രണ്ടെ തൊടാൻ പാടില്ല, നികുതി വേണമെങ്കിൽ തൊഴിലാളികളെ പിടിച്ചു കൊള്ളണം എന്നാണ്. ബഹുമാനപ്പെട്ട മെമ്പർമാർ രാജാ ശ്രീ മുത്തയ്യച്ചെട്ടിയായും ശ്രീ ആർ. ഗോപാലനും മുതലാളികൾക്കുവേണ്ടി നല്ല ഉണ്ണു വാടകയുണ്ടായി, പക്ഷെ വാടിക്കു നന്നു മുഴുവൻ തൊഴിലാളികളുടെ വേരിലാണ്. തൊഴിലാളികൾക്ക് ആപത്താകുമെന്നാണ് അർത്ഥം കിട്ടുന്നത്. ഹാ! തൊഴിലാളികളോട് ഇവർക്കു എന്തു സ്പെഷ്യൽ മാണ്! എന്നു മുതൽക്കാണ് ഇവർ ഈ തൊഴിലാളിസ്പെഷ്യൽ തുടങ്ങിയത്? നികുതി വരുമ്പോഴാണ് ഇവർക്ക് തൊഴിലാളി കൂടു മുഴുവൻ ഇളകിവരുന്നത്. നിയമപ്രകാരം തൊഴിലാളികൾക്കു കൊടുക്കേണ്ട കൂലിയും മറ്റും ആനുകൂല്യങ്ങളും ഇന്നേവരെ ഏതെങ്കിലും ഒരു മുതലാളി കൊടുത്തിട്ടുണ്ടോ എന്നു ഞാൻ ചോദിക്കുന്നു. അതു ചെയ്തിട്ടാണ് ഇങ്ങനെ വാടിക്കു നന്നാക്കി അതിന്നു എന്തെങ്കിലും അർത്ഥമെന്നു സമ്മതിക്കുമായിരുന്നു. നികുതി വരുമ്പോൾ മാത്രം തൊഴിലാളിസ്പെഷ്യൽ! ഈ തൊഴിലാളിസ്പെഷ്യൽ വെല്ലും വെറും വ്യാജമാണ്, പറിക്കുമാണ്. ഈ വാദം ഇവിടെ ആരു സീക്ടറിക്കാൻ പോകുന്നില്ല. അതുകൊണ്ടുതന്നെയാണ് ചെലവുകൾക്കുള്ള ആദായത്തിനാത്രം നികുതി കൊടുക്കുന്നതെന്നു ഞങ്ങൾ പറയുന്നത്, അതാണ് ഈ ബില്ലുകൊണ്ടുദ്ദേശിച്ചിരിക്കുന്നതും.

“ ഈ ബില്ലിലെ വ്യവസ്ഥകളെക്കുറിച്ച് വിശദമായ ചർച്ച ഞാൻ ഇപ്പോൾ ഒരുവെട്ടുന്നില്ല. മൂലായിരം രൂപയ്ക്കു നികുതികൊടുക്കണമെന്നാണ് ബില്ലിൽ പറയുന്നത്. ഇതു സീക്ടറാണോ, ഇതു കറയ്ക്കുകയോ കൂട്ടുകയോ ചെയ്യേണ്ടതുണ്ടോ എന്നു മറ്റുമുള്ള പ്രശ്നങ്ങളുണ്ട്. തല്ലാലം ഞാൻ അതിലേക്കു പ്രവേശിക്കുന്നില്ല, തൊഴിലാളികളുടെ വേരിൽ ഈ നികുതിയെ എതിർക്കുന്നത് ആളുകളുടെ കണ്ണിൽ മണ്ണിട്ടു സാധനം പാക്കുൻ നടപ്പിക്കാനുള്ള സൗകര്യം കുറഞ്ഞുപോകുമെന്നുള്ള ഭയംകൊണ്ടാണ്. അതിൽ കൂടുതലായി അതിന്നു യാതൊരുതത്വവുമില്ല.

“ ഈ നികുതിയെ സംബന്ധിച്ചു പറയുമ്പോൾ ഗവണ്മെന്റോടും ഒരു സംഗതി വ്യക്തമാക്കേണ്ടതുണ്ട്. ഈ നികുതി നടപ്പാക്കാതിരിക്കാൻ ഈ രാജ്യത്തെ മുതലാളിമാരും തോട്ടം ഉടമസ്ഥന്മാരും ഗവണ്മെന്റിന്റെ മേൽ അങ്ങേയറ്റം സമ്മർദ്ദം ചെലുത്തിയെന്നു വരും. പ്ലാന്റർമാർ ലേബർ ആക്ട് തന്നെ ഈ അടുത്ത കാലത്തുമാത്രമാണ് ഈ

9th August 1954]

[Sri C. H. Kanaran]

സംസ്ഥാനത്തു നടപ്പിൽവരുത്തിയിട്ടുള്ളതു്. പ്ലാന്റേറുകൾ ഉപേക്ഷിക്കുന്നതിനുള്ള സൗകര്യങ്ങൾ അനുവദിച്ചിട്ടുണ്ടെന്നും ഈ സംസ്ഥാനത്തെ തൊഴിലാളികൾക്കു വളരെ സംരക്ഷണവും ബുദ്ധിമുട്ടും ഉണ്ടായിട്ടുണ്ടു്. ഇന്നത്തെ ഗവണ്മെന്റിന്റെ മേൽ മുതലാളികൾക്കും തോട്ടം ഉടമകൾക്കുമുള്ള സ്വാധീനം എന്നെന്നു് ഏല്പാർപ്പും അറിവുള്ളതാണ്. ഈ നിയമം നടപ്പിൽ വരുത്തിക്കുന്നതിന്നു തോട്ടം ഉടമകൾ അങ്ങേ അറുപ്രതികൾക്കും ഗവണ്മെന്റിനെ ഞെരുക്കുന്നതും ഉള്ളതിന്നു യാതൊരു സംശയവുമില്ല. ഗവണ്മെന്റിന്നു നികുതികൊടുക്കണമെന്നു പറഞ്ഞുകൊണ്ടു് തൊഴിലാളികളുടെ കൂലി വെട്ടിച്ചുരുക്കാനും നിയമപ്രകാരം അവർ കൊടുക്കേണ്ട മറ്റു ആവശ്യങ്ങൾ കറുത്തുമാറ്റം മുതലാളിമാർ നിർവ്വണ്ണം പാടിക്ഷകയാണെന്നതിൽ തൊഴിലാളികൾക്കു മെറ്റിയായിരിക്കാൻ സാദ്ധ്യമല്ല. തൊഴിലാളികൾ സംഘടിതമായി പ്രക്ഷോഭം കൂട്ടും. സർവ്വ ശക്തിയുപയോഗിച്ചു അതിനെ തടയുക. മോട്ടോർ നികുതി വമ്പിച്ചാൽ അതു് തൊഴിലാളികൾക്കെതിരായി പ്രയോഗിക്കാൻ മുതലാളിമാർ ശ്രമിച്ചു. പല മുതലാളിമാരും ആ നികുതിയുടെ പേരിൽ തൊഴിലാളികളെ ദാഹിപ്പിക്കാൻ തുടങ്ങിയിട്ടുണ്ടു്. അതു് എല്ലാവർക്കും അറിവുള്ള സംഗതിയാണു്. ഈ നികുതിയെ സംബന്ധിച്ചുടത്തോളവും തോട്ടം ഉടമസ്ഥന്മാരുടെ മനോഭാവം അതുതന്നെയാണു്. അതിനെ തൊഴിലാളികൾ വക വെച്ചുകൊടുക്കാൻ പോകുന്നില്ല.

“ ഈ തോട്ടം ഉടമസ്ഥന്മാരുടെ കൂട്ടത്തിൽ ചില എം.എൽ.എ. മാരും എം. പി. മാരും ഉൾപ്പെട്ടുണ്ടു്. തോട്ടമുടമസ്ഥന്മാർ ചെയ്തിട്ടുള്ള കണക്കുകളാണു് ഒരു തരത്തിലും വിശ്വസിക്കാൻ നിവൃത്തിയില്ല. ആവശ്യപോലെ റൂറുറൂറു കണക്കുകൾ എഴുതി വെക്കാൻ മുതലാളികൾക്കു സാധിക്കും. തോട്ടങ്ങളെ സംബന്ധിച്ചിടത്തോളം U.P.A.S.I. യുടെ കണക്കുകളുണ്ടു്. അവയോലും വിശ്വസനീയമാണെന്നു പറഞ്ഞുകൂടും. ‘ഞങ്ങൾ യൂറോപ്യന്മാരല്ല, ഞങ്ങളെല്ലാം ഈ നാട്ടുകാരാണു്, ഞങ്ങൾ നാട്ടിന്റെ നന്മക്കുവേണ്ടിയാണു് നിലകൊള്ളുന്നതു്’ എന്നല്ലാമാണു് അവർ പറയുന്നതു്. പക്ഷെ പരമാർത്ഥം ഇതൊന്നുമല്ല. ഡയറക്ടറിയേയും സീനിയറിയേയും വലിയ വലിയ തോട്ടങ്ങളെല്ലാം യൂറോപ്യന്മാരുടെ കൈയിലാണു്. യൂറോപ്യന്മാരുടെ കണക്കുകൾ ശരിയ്ക്കു പരിശോധിക്കാൻ ഇന്ത്യാഗവണ്മെന്റുടനെന്നു വിചാരിക്കുന്ന ഒരു ഘട്ടമാണിതു്. ‘ഞങ്ങൾ പഴയ ഭരണാധികാരികളാണു്. ബ്രിട്ടീഷുകാർ വിട്ടുപോയപ്പോൾ ഞങ്ങളേയും ഞങ്ങളുടെ നാട്ടുകാരെയും ഈ സംരക്ഷിച്ചുകൊള്ളാമെന്നു് ഗവണ്മെന്റ് കരറു ചെയ്തിട്ടുണ്ടു്. അതുകൊണ്ടു് ഞങ്ങളെ തൊടാൻ സാദ്ധ്യമല്ല’ എന്നു അഹങ്കാരത്തോടെയാണു് അവർ ഉത്തരമുണ്ടാക്കുന്നതു്. ഈ യൂറോപ്യൻ തോട്ടമുടമസ്ഥന്മാരുടെ കണക്കുകൾ പ്രത്യേകിച്ചും ഒരു പരിശോധിക്കേണ്ടതായിട്ടുണ്ടു്. ഓർഗ്ഗനികലിയവു് മേൽനോട്ടത്തിലവു് എന്നും മറ്റുമുള്ള പേരിൽ അനവധി സംഖ്യ കണക്കെഴുതിവെച്ചിട്ടുണ്ടു്. പതിനായിരവും ഇരുപതിനായിരവും ഉൾപ്പെട്ട ഇങ്ങനെ കണക്കെഴുതിവെച്ചിട്ടുണ്ടു്. എന്നിട്ടും കണ്ടുമുട്ടുന്നതാണു് ലാഭം കണക്കാക്കുന്നതു്. തേയിലത്തോട്ടങ്ങളെ സംബന്ധിച്ചിടത്തോളം മാനേജിങ്ങ് ഏജൻസിയുടെ പേരിൽ ഭീമമായ സംഖ്യകൾ തട്ടിക്കാണുവേണ്ടുകയാണു്. ഇതെല്ലാം ശരിയ്ക്കു കണക്കാക്കുകയാണെന്നു്കിലേ ഈ നികുതിമൂലം ഗവണ്മെന്റിന്നു ശരിയായ ആദായം ലഭിക്കാൻ പോകുന്നില്ല. കാക്കിക്കാഴയ നികുതി നിയമംകൊണ്ടു് ഗവണ്മെന്റിന്നു് ആദായം ഉണ്ടാക്കുന്നമെന്നു് ഉദ്ദേശമുണ്ടെങ്കിൽ ഈ തോട്ടങ്ങളുടെ കണക്കുകൾ ശരിയ്ക്കണു പരിശോധിച്ചു മതിയാവൂ. ആവശ്യമുള്ള ചെലവിനങ്ങൾ ഏതെല്ലാം, അന്നാവശ്യമായിട്ടുള്ളവ ഏതെല്ലാം എന്നെന്നു് പരിശോധിക്കണം. അതു് ശരിയ്ക്കു ചെയ്യാമെങ്കിൽ ഗവണ്മെന്റിന്നു് നിശ്ചയമായും നല്ല വരുമാനം ലഭിക്കും.

“ ഒരു കാര്യം പ്രത്യേകം എടുത്തു പറയണമെന്നു ഉദ്ദേശിക്കുന്നു. അമിതമായും തട്ടിയെടുത്തിട്ടു് അതിലൊരോമരി നികുതിയായി കൊടുക്കാൻ തയ്യാറാണെന്നു് പറയുന്നതിന്റെ അർത്ഥമെന്തെന്നു നാം ആലോചിക്കേണ്ടതാണു്. നികുതി വേണം. അതു് സംസ്ഥാനത്തു ഏതെങ്കിലും ഉണ്ടാക്കിക്കൊള്ളണമെന്നാണു് അവരുടെ അഭിപ്രായം. സാധൂകൾക്കു് വേണ്ട ഉദ്യോഗാലും കൊള്ളാം, മുക്കുയാലും കൊള്ളാം, എല്ലാത്തരം നികുതി കൊട്ടിക്കൊള്ളു. തങ്ങൾക്കു അതിൽ യാതൊരാക്ഷേപവുമില്ല. പണക്കാരെ മാത്രം തൊട്ടേയ്ക്കരുതു്. അവരുടെ മേൽ നികുതിയേ പാടില്ല. ചുരുക്കത്തിലിതാണു് ഈ നികുതിയെ എതിർക്കുന്നതിന്റെ ഉദ്ദേശം. ഗവണ്മെന്റിന്നു നികുതി വേണം. ആ നികുതി എവിടെ നിന്നു് ഇടംകൊള്ളണമെന്നുള്ളതാണു് പ്രശ്നം. കോടിക്കണക്കിനു് കൊള്ളലാഭമടിച്ചു് കൂട്ടിവെക്കുന്ന മുതലാളിമാരിൽനിന്നു ഇടംകൊള്ളണമോ, സാധൂ

2-50
p.m.

[Sri C. H. Kanaran]

[9th August 1954]

ക്കളെ പിടിച്ച് ഞെക്കി നികരിയുണ്ടാക്കണമോ എന്നുള്ളതാണ് പ്രശ്നം. ചോദ്യം വളരെ വ്യക്തമാണ്. ഏതു പാട്ടിയിൽ പെട്ടവരായാലും ശരി ഏറ്റവും വലിയ പിന്തിരിപ്പന്മാർക്കു മാത്രമേ ഈ നികരിയെ എതിർക്കാനാവൂ. രാജാ ശ്രീ മുത്തയ്യ ചെട്ടിയാർ ഏതു പാട്ടിയിൽ പെട്ട ആളായാലും ശരി സ്വന്തം രാജ്യത്തിൽ കൈവയ്പ്പുണ്ട് എന്നാണ് വാദിക്കുന്നത്. ഗവണ്മെന്റിന്നു നികരി വേണം. പക്ഷെ ഞങ്ങളെ തൊടരുത്. ഞങ്ങളെ തൊട്ടാൽ ഞങ്ങൾ എതിർക്കും. ശ്രീ ആരി ഗൗഡന്മാരെ നില പാട്ടും അതുതന്നെയാണ്. കാക്കികാദായ നികരിയേ പാടില്ല. അത് പണക്കാരെ ബാധിക്കും. മുതലാളിയുടെ കീഴയിൽ കൈവെക്കുന്നതിനെ എതിർക്കാൻ നിങ്ങൾ വിചിന്തിച്ചിട്ടു. ഈ മനോഭാവമാണ് ഈ ബില്ലിനെ എതിർക്കാൻ കാരണം. ഈ എതിർപ്പ് വിപുലമായ തോതിൽ ഇനിയുമുണ്ടാകും. അതിന്റെ ഒരു തുടക്കം മാത്രമാണ് നാം ഇവിടെ കണ്ടത്.

“ ഈ രാജ്യത്തെ നികരി സമ്പ്രദായംതന്നെ പാടേ മാറ്റേണ്ടതാണെന്നാണ് ഞങ്ങളുടെ അഭിപ്രായം. അത് ഞങ്ങൾ വളരെക്കാലമായി ആവശ്യപ്പെട്ടുകൊണ്ടിരിക്കുകയാണ്. കാക്കികാദായ നികരിയെക്കുറിച്ച് പറയുമ്പോൾ കൃഷിക്കാർക്കു കണക്കു വെച്ചാൽ ബുദ്ധിമുട്ടുണ്ടാകുമെന്നാണ് ഗവണ്മെന്റ് പറഞ്ഞുകൊണ്ടിരുന്നത്. കൃഷിക്കാർ അവന്റെ വരവു ചെലവുകൾ എന്തെന്ന് അറിഞ്ഞിരിക്കേണ്ടത് ആവശ്യമാണ്. കണക്കുണ്ടെങ്കിലേ ലാഭനഷ്ടങ്ങൾ കണക്കുകൂട്ടാനും അതിന്നനുസരിച്ച് ചെലവുകൾ ക്രമപ്പെടുത്താനും സാധിക്കൂ. ഈ തത്വത്തിന്റെ അടിസ്ഥാനത്തിലല്ല ഗവണ്മെന്റ് ഈ നികരി കൊണ്ടുവന്നിരിക്കുന്നതെന്ന് ഞാൻ മനസ്സിലാക്കുന്നുണ്ട്. ഗവണ്മെന്റിന്നു തൽക്കാലം പണം വേണം. അതിനുവേണ്ടിയുണ്ട് ഒരു മാർഗ്ഗമായിട്ടാണ് ഇതു സ്വീകരിച്ചിട്ടുള്ളത്. ശരിക്കുള്ള കാക്കികാദായ നികരിയെന്ന സ്വീകരിച്ചുകൊണ്ടുള്ള ഒരു നികരി സമ്പ്രദായം ഇവിടെ ഏല്പിക്കണമെന്ന് ഞങ്ങൾ വളരെക്കാലമായി ആവശ്യപ്പെട്ടുകൊണ്ടിരുന്നിട്ടു ഗവണ്മെന്റ് പലതും പറഞ്ഞ് സൂത്രത്തിൽ കുലിച്ചുകൂട്ടുകയാണ്. ഇവിടെ ലാൻഡ് റവന്യൂ വളരെ കൂടുതലാണ്. തിരു-കൊച്ചിയ്ക്കുവേണ്ടി അടിസ്ഥാനനികരി തുച്ഛമാണ്. അതുകൊണ്ട് അവിടെ കാർഷികാദായനികരി ഏല്പിക്കുന്നിട്ടുണ്ടെന്നു പറഞ്ഞ് ഇവിടേയ്ക്കു കാർഷികാദായ നികരി ഏല്പിക്കുന്നത് ശരിയല്ല എന്നാണ് മറ്റൊരു വാദം. കാക്കികാദായനികരി കഴിയുന്നതുപോലെ നടപ്പാക്കണമെന്നാണ് ഞാൻ ആവശ്യപ്പെടുന്നത്. അങ്ങിനെ വരുമ്പോൾ ചെറിയ കൃഷിക്കാരെ നികരിയിൽനിന്നു ഒഴിവാക്കാൻ കഴിയുമെന്നു കോൺഗ്രസ്സ് തന്നെ സമ്മതിച്ചിട്ടുള്ളതാണ്. ആ തത്വം നാട്ടുകാരും പൊതുവെ സ്വീകരിച്ചിട്ടുള്ളതാണ്. കാരണം ആദായം കൂടുതലുള്ളവരിൽനിന്നു കൂടുതൽ നികരിയും ആദായം കുറഞ്ഞവരിൽനിന്നു കുറച്ചു നികരിയും ഉണ്ടാകുക എന്നുള്ളതാണ് നീതി. നികരി കൊടുക്കാൻ കഴിവില്ലാത്തവരെ നികരിയിൽനിന്നു ഒഴിവാക്കാനും സാധിക്കും. ഗവണ്മെന്റിന് ആദായമുണ്ടാക്കുന്നതും നാട്ടുകാർ ആശ്വാസം നൽകുന്നതുമായ ഈ നികരിസമ്പ്രദായം നമുക്കു എന്തുകൊണ്ട് സ്വീകരിച്ചുകൂടാ ?

“ ഈ ബില്ലിലെ വ്യവസ്ഥകളെ സംബന്ധിച്ചിടത്തോളം എനിക്ക് പലതും പറയുവാനുണ്ട്. നോട്ടീസ് കൊടുക്കുന്നതിനെ സംബന്ധിച്ചുള്ള വ്യവസ്ഥ ഏപ്രിലുമാണോ, സെപ്റ്റംബർക്കു കെട്ടുന്നത് ഇരുപത്തയ്യായിരത്തിനു എന്നു വെച്ചിരിക്കുന്നത് ന്യായമാണോ, അതു ഒരു പരീക്ഷയിലും ആകുമ്പോൾ ഭോക്താക്കളോ എന്നിങ്ങനെ പലതും ആലോചിക്കാനുണ്ട്. ഈ ബില്ലിൽ നിശ്ചയിച്ചിരിക്കുന്ന നിരക്കുകളുടെ അടിസ്ഥാനവും കണക്കൂടി പരിശോധിക്കേണ്ടതാണ്. ഏതായാലും ഈ നികരി സാമ്പത്തികതയുടെ തോതങ്ങളെ സൃഷ്ടിക്കുന്നുണ്ട്. സാമ്പത്തികത തൊട്ടാൽ ആകാശം പൊളിഞ്ഞു താഴെ വീഴുമെന്നു ഭയപ്പെടുന്നവരുണ്ട്. അവരെ നന്നാക്കാൻ സാധ്യമല്ല. അവരെ വിന്യസിച്ചുകൊണ്ടു തന്നെ നമുക്കു മുന്നോട്ടു പോകേണ്ടിയിരിക്കുന്നു. സാമ്പത്തികതയെത്തന്നെയാണ് ആദ്യം തൊടേണ്ടത്. എങ്കിലെ ഈ രാജ്യത്തിനു അഭിവൃദ്ധി ഉണ്ടാവുകയുള്ളു. നമ്മുടെ ധനം സാമ്പത്തികത കൊള്ളയടിക്കുന്നതിനെ തടയാൻ എന്തിനു മടിക്കണം ? നാം സ്വാതന്ത്ര്യത്തിനുവേണ്ടി പോരാടിയത് നമ്മുടെ ധനം നമ്മുടെ രജ്യത്തുതന്നെ കിടക്കണമെന്നുള്ള ഉദ്ദേശത്തോടെയാണ്. സാമ്പത്തികത പോയാൽ നമ്മുടെ രാജ്യം നശിച്ചുപോകയില്ല. ആകാശം ഇടിഞ്ഞുവീഴുകയുമില്ല. ഈ രാജ്യം നന്നാക്കാൻ അവർ പോകേണ്ടത് ആവശ്യമാണ്. ഒരു കാര്യം ഗവണ്മെന്റിനെ ഓർമ്മിപ്പിക്കുവാൻ ഞാനുദ്ദേശിക്കുന്നു. ഈ നികരി കൃഷിക്കാരനു ഭോഷമാണ്, തൊഴിലാളികൾക്കു ഭോഷമാണ്, പാവപ്പെട്ടവർക്കു

9th August 1954] [Sri C. H. Kanaran]

ചോദ്യമാണ്. എന്നെല്ലാം പറഞ്ഞു ഇതിനെ എതിർക്കുന്ന ഒരു കൂട്ടർ ഇവിടെയുണ്ട്. അവർ ആരാണെന്നു എല്ലാവർക്കുമറിയാം. പക്ഷെ അവരെ വകവയ്ക്കാതെ സംശയം മുറോട്ടുപോകാൻ കരുത്ത് ഈ ഗവണ്മെന്റിനുണ്ടോ എന്നു സംശയമാണ്. രണ്ട് ഇടി കിട്ടുമ്പോൾ ഈ ഗവണ്മെന്റ് പരുങ്ങും, കാരണം, ഇന്നത്തെ ഗവണ്മെന്റ് എന്നു പറഞ്ഞാൽതന്നെ ജന്മിമാരും മുതലാളിമാരുമാണ്. മുതലാളിമാരുടേയും തോട്ടമുടമസ്ഥന്മാരുടേയും ഭാഗത്തുനിന്നു സമ്മർദ്ദം മുറുകുമ്പോൾ ബില്ലിന് എന്തു സംഭവിക്കുമെന്നു ഇപ്പോൾ പറയാൻ സാധ്യമല്ല. ഇന്നു വലിയ യെറുത്തുതിൽ ബില്ലു കൊണ്ടുവന്നിരിക്കുന്ന ഗവണ്മെന്റ് രണ്ടു കിട്ടുമ്പോൾ എന്തു ചെയ്യുമെന്നു കണ്ടുതന്നെ അറിയണം. തോട്ടമുടമസ്ഥന്മാരാരാണെന്നു പരിശോധിച്ചാലറിയാം, അധികം വേരും കോൺഗ്രസ് കാരാണെന്നു്. അവരെ തൊട്ടാൽ കോൺഗ്രസ് എവിടെ പോക്കും, ഗവണ്മെന്റ് എവിടെ പോക്കും, ഈ ബില്ലു് എവിടെ പോക്കും എന്നൊന്നും ഇപ്പോൾ പറയാനായിട്ടില്ല. ഏതായാലും ഈ ബില്ലിനെ ഞാൻ സ്വാഗതം ചെയ്യുന്നു.”

3 p. m.

* SRI V. R. KRISHNA AYYAR :—“ Mr. Deputy Speaker, I welcome this measure and only say, ‘ Better late than never ’. I am one of those persons who have been all along clamouring for a more scientific land revenue policy, namely, substitution of agricultural income-tax for the existing outmoded, obsolete and impracticable land revenue system which has been fixed up on an ancient basis. There is hardly any question that taxation, to be just, must be levied on him who can afford to bear it, and the duty or responsibility towards the State is more on the part of the man who can afford to pay it because he derives a larger income from the natural resources of the State than others. Land primarily is an asset of the community and he who makes a large profit from land must necessarily be put on a par with those who make income by other means, say, by commercial activity. At present, what we have is a land revenue system where there is a legitimate grievance on the part of those who by non-agricultural activities make an income and who are compelled to pay tax while, at the same time, if only they pursued agriculture as their activity, they are exempt from taxation altogether. There is this wide discrimination that we see and there is no reason why it should be continued at all. The only scientific system of taxation is the levy of income-tax. The present land revenue system to be replaced in part at least by agricultural income-tax is, therefore, welcome.

“ A certain objection has been raised that the analogy between the agricultural income-tax in the Travancore-Cochin State and that proposed in the present Bill cannot hold good or is not on all fours. The objection taken is that in the Madras State the rate of land revenue, that is already being levied is very high, that there is, therefore, no justification to superimpose upon the existing land revenue agricultural income-tax, and that in the Travancore-Cochin State there is only a nominal or a light basic tax plus agricultural income-tax. But I should like to point out to the hon. Member who raised that objection that so far as the plantations are concerned—and the scope of the present Bill is limited to plantations in Malabar with which, I can claim, I have personal acquaintance—to some extent taxation on plantations and estates on the basis of dry land assessment varies from 12 annas to

[Sri V. R. Krishna Ayyar] [9th August 1954]

Rs. 1-8-0, never more than Rs. 2. Even the hon. Member cited that in the Travancore-Cochin State the basic tax was Rs. 1-9-0 or so. So, speaking from my experience in Malabar, on an average, I can say that the basic tax in the Travancore-Cochin State is more or less the same as the dry land assessment in the Madras State. Agricultural income-tax is not, therefore, going to impose an additional burden. But when we take the plains, that is, non-plantation areas, in the case of wet lands, the tax per acre may be anything from Rs. 8 to Rs. 15 and that on garden lands also may be fairly high. Whether in such cases we should abolish the existing land revenue altogether and impose a lighter basic tax plus agricultural income-tax is a matter to be considered by the Assembly in due course when there is an extension of this principle to such lands. But I can say that in the Coorg State which is a neighbour of Madras, they impose the existing land revenue *plus* agricultural income-tax on all lands—not merely estate lands, but also wet lands and garden lands. I have read through the Coorg Agricultural Income-tax Act, and I should point out that instead of Rs. 11 or Rs. 12 per acre, the tax there will be about Rs. 3 or Rs. 4 per acre. But I do not see any reason why there should be a double taxation on land; i.e., the existing land revenue which, although primordial, is really based upon some kind of income, *plus* agricultural income-tax. We should certainly not kill the goose that lays the golden egg by strangling those who engage themselves in productive activity on land, that is, by taxing them heavily. At the moment, we are not concerned with that; but when we extend this principle to other lands, we may have to revise the existing land tax and impose perhaps a lighter land-tax *plus* agricultural income-tax. There is no doubt that judged on all principles of fiscal policy, agricultural income-tax is far more rational and scientific than any other form of tax. Therefore, I welcome this measure.

“Then, there is the other objection raised—that the tea and coffee plantations will perish or will be wiped out if this tax were imposed. Logically speaking, the argument seems to be fallacious because this is a case where admissible expenditure is allowed (under the Bill) which will make room for all expenses of cultivation. The only point is as to whether the capital expenditure should also be provided for. That is a detail which, I suppose, will be gone into by the Select Committee. A detailed investigation of facts and figures will have to be made with reference to the working expenditure and capital outlay necessary in the case of estates and necessary adjustments made. But, substantially, the basic framework or skeleton of the Bill is undoubtedly sound.

“Now, I wish to sound a note of caution. We find that all these taxation measures are introduced in such a way that ultimately the gain is very little and a staff is straightway appointed. Even now we hear that a Commissioner, Deputy Commissioner and an army of other subordinate staff will go into action. We know also, from our experience with the sales tax authorities and

9th August 1954] [Sri V. R. Krishna Ayyar]

their activities, that there is a large element of harassment in these things. Corruption also permeates among the officers and staff. I am sure that the agricultural income-tax officers, when they go into action, will repeat the tendencies of their fellowmen in other departments and that there will be a lot of harassment of the agrarian community which could, if we can make some sensible legislative provision, be avoided. I suggest for deeper consideration—of course, I cannot say off-hand that that should be accepted—whether on the basis of the Motor Vehicles (Taxation) Act or the Motor Vehicles Passenger Tax Act or the Mysore Agricultural Income-tax Act, some kind of a compounded figure per acre worked out on the income should not be provided and whether anybody who has any objection in any particular year against that particular assessment should not be made to object and prove his case to the contrary. That will emancipate the assessee from the clutches of agricultural income-tax officers. I am afraid there will be some kind of harassment and what is more, going to the income-tax officers, submitting returns and books of account, again and again going to an auditor or an accountant and appearing before the income-tax officer—all these things will involve an amount of expenditure which could be avoided. I submit these details for the consideration of the Select Committee. But I will say that it is a very salutary provision. More than all, it is a scientific provision and, as a fiscal measure, it should receive the support of all. But we should certainly see to it that the enactment is not so worked nor the taxation rates made so high as to kill or wipe out the tea plantations or the coffee plantations. However, it is unlikely to happen, and as I have already pointed out and as the hon. Member Sri Kanaran at great length pointed out, when the Plantation Labour Act and all other enactments which imposed obligations upon the estate managements are there and when there are admissible items of expenditure, there is hardly any reason why we should be apprehensive that estates will collapse. Cultivation expenses and other like items have been made admissible and only if there is a balance profit of Rs. 3,000, it will become assessable. The rates here are also comparatively more favourable than those in the Coorg Act so far as I can judge from the materials I have. I do not think that there is any serious complaint or peril of all our estates being wound up. Only vested interests try to threaten or frighten people. But as it is, there is no need to be apprehensive.

“ Finally, this measure will receive the support of all those who are interested in the welfare of the people and all those who really want the substitution of a rational fiscal policy for an outmoded one. I am sure this measure will yield good revenues and whatever revenues it yields will go to the benefit of the people.”

* SRI T. ANANTA PAI :—“ Mr. Deputy Speaker, I do not think there is any doubt about the soundness of the principle of agricultural income-tax. As the previous speakers have pointed out, our Welfare State, having committed itself to a number of

[Sri T. Ananta Pai]

[9th August 1954]

progressive measures, has to find its own resources. Even under the Five-Year Plan, we are very much behind the target. The Planning Commission has pointed out the need to augment our resources as far as possible so that the target might be fulfilled. But in thinking of a measure of taxation like this, there are some considerations which require to be given due importance. In the first place, there is the Taxation Enquiry Commission now sitting and going into the various measures of taxation in existence and proposed to be introduced. The Commission wants to rationalize the methods of taxation in this country. At the same time, the Government of India have appointed a committee to go into the conditions of workers in the plantation industry. Certain commitments have to be made so far as labour is concerned. Labour has to be assured of a minimum standard of living and other comforts. These are all items of expenditure which the management of every plantation will have to bear. To point out that because these are admissible items of expenditure it does not matter if agricultural income-tax is imposed, is I think, not a very sound argument, because these commitments to labour by the management of the plantation are asked to be made on the presumption that the managements of plantations have been earning a lot of money as profit and that the same income will continue to be derived in future also. So, I do not think that if the planters raise some objections to this measure they can be dismissed as having no foundation whatsoever. At the same time, in thinking of measures of taxation like this, questions of mismanagement of some managing agents, their treatment of labour in some other cases, the dividends that they have been declaring, and who owns the plantations—whether they are owned by the Europeans or by this community or that community—are, I think, irrelevant. What we have to consider is to what extent the plantation industry in future will have to or can bear this expenditure because this measure of taxation is going to be a permanent one and is not limited to a year or two just to make up a revenue deficit.

3-10
P.m.

“Under the circumstances, we have got to see how exactly these Acts are working in the neighbouring States of Coorg, Travancore-Cochin and Mysore. As these States have introduced agricultural income-tax in their respective States, we might learn from their experience. So far as the limited companies are concerned, it may be that they are owned by a few individuals, or it may not be the case also. Whatever it is, it has become the practice for a large number of middle-class people to buy shares in the stock exchange and thus invest their savings. I may point out that these limited companies as such are not going to pay this tax. Ultimately, the shareholders will have to bear the burden. Of course, it may be said that our Act provides for refund. I am told that in the State of Travancore-Cochin, the question of refund has not yet been gone into as there are a number of assessees. If every assessee can say that his income is below the taxable limit and can claim refund, I would request the Government, especially

9th August 1954] [Sri T. Ananta Pai]

the Finance Department, to carefully see to what extent the tax expected to be collected from this measure is likely to be affected by granting such refunds. If the idea is not to grant any refund as such, I would rather like the dropping of the provision relating to refund altogether so that we may not commit ourselves to the grant of any refund. Instead of having a provision like this, we can as well follow the provision adopted by the Government of Mysore, and fix the tax as Rs. 5 or Rs. 10 per acre as we may think fit. In this State there are about two lakhs of acres under plantations. If we calculate on this basis, we may be able to collect Rs. 20 to Rs. 25 lakhs at the rate of Rs. 10 per acre, instead of the sum of Rs. 7 to Rs. 12 lakhs that is contemplated under the Bill. I do not know how this sum of Rs. 7 to Rs. 12 lakhs has been arrived at, and whether it was arrived at after making due provision for refunds. Anyway, I would request the Government to carefully consider whether it would not be worth while to adopt the Mysore method as it would be simple and inexpensive, and would also save the assesseees from harassment at the hands of the officials.

“ Sir, there is another problem concerning the plantations which cannot be ignored by anybody who is interested in the industrial development of the country. Taking the plantation industry, we have to see what are the difficulties that the industry will have to face. One important fact we have to bear in mind. The plantation industry should be treated in the same manner as any other industry which uses machines. Just as the life of a machine is fixed as ten years or fifteen years or whatever it is and just as provision is made for depreciation or replacement in the course of these ten or fifteen years, it would be entirely scientific to consider the life of a plantation to be so many years and make adequate provision for depreciation so that the industry may not suffer from or languish for want of adequate funds to replace, replenish or rehabilitate itself.

“ Then, I would respectfully point out to the Government that they have to consider very carefully all the implications of a measure like this. Formerly all agricultural produce was exempted from the payment of income-tax. Take the case of coffee. When it is cured by an industrial process, it is no longer considered an agricultural commodity and is therefore considered to be liable for income-tax. If even at that stage it is considered to be liable for income-tax, it would be desirable for the State Government to get into touch with the Central Government and find out to what extent this double taxation should be allowed. I request the Select Committee to go into some of these points. Whatever it is, the measure is most welcome. This has been welcomed by all sections of the House for various reasons of their own; some have welcomed this measure with a vengeance on planters. Anyway, I only wish to reiterate that this measure of taxation must be scientific as it is going to be a permanent one. Thank you, Sir.”

[9th August 1954]

3-15
p.m.

SRI M. PALANIYANDI :—“ கனம் உதவி சபாநாயகர்

அவர்களே, இப்பொழுது அரசாங்கம் விவசாய வருமான வரியை தோட்டப் பயிருக்கு அதாவது தேயிலை, காப்பி, எலம் போன்ற பயிர்களுக்கு விதிப்பதற்காகக் கொண்டு வந்திருக்கும் மசோதாவை நான் ஆதரிக்கிறேன். எனக்கு முன்பு பேசிய சில நண்பர்கள் அரசாங்க வரவு செலவுத் திட்டத் தில்தான் துண்டு விழுவல்லியே அப்படியிருக்கும்போது எதற்காக இந்தப் புதிய வரித் திட்டத்தைக் கொண்டு வரவேண்டுமென்று சொல்லுகிறார்கள். இன்றையதினம் உண்மையில் மக்களுக்குப் பல சௌகரியங்களைச் செய்து கொடுக்கவேண்டுமென்று கேட்கும்போது அரசாங்கம் தங்களிடம் பணமில்லை பணமில்லையென்று சொல்லிக் கொண்டு வருவதைப்பார்க்கிறோம். ஆகவே இந்த வருமான வரியைத் தோட்டப் பயிர்களுக்குப் போட்டால் தான் இன்னும் கொஞ்சம் பணம் சர்க்காருக்குக் கிடைக்கும். அதன் மூலம் நம் மக்களுக்கும் அதிக வசதிகளைச் செய்து கொடுக்க முடியும். ஆகவே தான் நாங்கள் இதை வரவேற்கிறோம்.

“ குறிப்பாக எந்த வரியைப் போட்டாலும் அந்த வரிப்பணம் மத்திய அரசாங்கத்திற்கே சென்று கொண்டிருக்கிறது. சிமென்ட் டன் ஒன்றுக்கு 5 ரூபாய் வரி போட்டார்கள். அந்தப் பணமும் மத்திய அரசாங்கத்திற்கே தான் சென்றுவிட்டது. நமக்கென்று தனிப்பட்ட வரி இனம் நிறைய கிடையாது. இந்த வரி இதைத்தையாவது நம் அரசாங்கம் நிச்சயமாகப் போட்டுக்கொள்ளவேண்டியது ரொம்பவும் அவசியமாகும். மேலும் அந்தப் பிராந்திய மக்கள் காடாரம்ப நிலங்களுக்குக் கட்டவேண்டிய வரியைத் தான் கட்டிக்கொண்டு வருகிறார்கள். அதாவது ஏக்கருக்கு ஒரு ரூபாய் ஒன்றரை ரூபாய் என்று தான் கட்டி வருகிறார்கள். ஆனால் ஒரு ஏக்கரின் வருமானம் 400, 500 ரூபாய்க்கு மேல் வருகின்றது. குறிப்பாக இதர நிலங்களின் வருமானத்தை விட மிக அதிகமாகவே இருக்கிறது. ஆனால் இவர்களிடமிருந்து வாங்கும் வரி மற்றவர்களிடமிருந்து வாங்குவதைவிட மிகக் குறைவாகவே இருக்கின்றது. ஆகவே இந்த வருமான வரியைக் கொண்டு வருவது ரொம்பவும் அவசியமாகும்.

“ அதோடு வேறு சில அங்கத்தினர்கள் மைசூரில் வரி விதிப்பதைப் போல ஏக்கருக்கு 10 ரூபாய் 15 ரூபாய் என்று மொத்தமாக வருமான வரிக்குப்பதிலாக வரி விதிக்கலாமென்று சொன்னார்கள். இது ஒருபோதும் சரியாகாது. என்னென்ற ஆயிரம் ஏக்கர் உள்ள பணக்காரன் ஏக்கருக்கு பத்து ரூபாய் என்று வரி கட்டுவான் என்றால் 5 ஏக்கர் உள்ள சிறிய விவசாயியும் கூட ஏக்கருக்குப்பதினைந்து ரூபாய் என்று கட்டவேண்டிய நிலைமை ஏற்படும். இது நியாயமாகாது. அதிக வருமானமுள்ள விவசாயிக்கு வரி போடுவது நியாயமாகலாமே தவிர குறைந்த வருமானமுள்ள விவசாயிக்கும் வரி போடுகிறோம் என்பது நியாயமாகாது; தர்மமாகாது. ஆகவே நிச்சயமாக இவ்வளவு ரூபாய்க்கு அதாவது மூவாயிரம் ரூபாய்க்கு மேல் வருமானமுள்ள விவசாயிகளுக்கு வருமான வரி உண்டு என்பது சரியான யோசனையாகும். அதோடு ஆட் கூலி, விதைக் கூலி, பயிர்ச்செலவு கூலி போன்ற இனங்களுக்கு பணம் ஒதுக்கியது போக பாக்கியிருக்கும் வருமானத்தின் மீது தான் வரி விதிக்க உத்தேசித்திருக்கிறார்கள். ஆகவே இதை எதிர்ப்பதற்கு எந்தக் காரணமும் கிடையாது. ஒரு சில பேர்கள் தங்களுக்குக் கிடைத்து வந்த லாபம் இனி குறைந்துவிடப் போகிறதே என்ற காரணத்திற்காக வேண்டுமானால் இதை எதிர்த்துக்கலாமே தவிர களுக்கும் கூட இதனால் பெருத்த நஷ்டம் வந்துவிடுமென்று சொன்னால் அது முழுப் பொய்யாகத்தான் இருக்கும். இந்த மசோதாவை மேலெழிந்தவாரியாக அவசரப்பட்டு அமுலுக்கு கொண்டு வந்துவிடாதிருக்க இதனை ஒரு பொறுக்குக் கமிட்டிக்கு விடவேண்டுமென்று சிலர் சொல்லுகிறார்கள். என்னைக் கேட்டால் நாமே இதைப்பற்றி நன்றாக விவாதித்து சரியான முறையில் பாஸ் செய்து விடலாம். இதைப் பொறுக்குக் கமிட்டிக்கு அனுப்பவேண்டிய அவசியமே கிடையாது. என்னென்றோ பொறுக்குக் கமிட்டிக்கு அனுப்பினால் அங்கே பலர் பலவிதமான யோசனைகளை சொல்லி மசோதாவின் அடிப்படைக் கொள்கைக்கே பங்கம் வீணைவித்துவிடுவார்களோ என்று கூட அஞ்சுகிறேன். ஆகவே சர்க்கார் இந்த மசோதாவை உடனடி

9th August 1954] [Sri M. Palaniyandi]

யாகச் சட்டமாக்க முயலவேண்டும். இதேபோல இன்னும் பல நல்ல நல்ல திட்டங்களைக் கொண்டுவரவேண்டுமென்றும் கேட்டுக்கொண்டு என் பேச்சை முடித்துக்கொள்ளுகிறேன்.”

DEPUTY SPEAKER :—“Hon. Member Sri K. V. Ramaswamy may now speak.”

SRI P. VENKATESHA SHOLAGAR :—“கனம் உதவி சபாநாயகர் அவர்களே, நான் இந்த வருமான வரி மசோதாவை ஆதரிக்கிறேன் . . .”

DEPUTY SPEAKER :—“The hon. Member's name is not K. V. Ramaswami. I have not called the hon. Member to speak. He may resume his seat.”

(Hon. Member Sri K. V. Ramaswami rose to speak.)

DEPUTY SPEAKER :—“The hon. Member probably does not want to speak. He could have spoken, if he so desired, when I called him to speak. Now, hon. Member Sri K. Parthasarathy will speak.”

* **SRI K. PARTHASARATHY :—**“Mr. Deputy Speaker, Sir, I rise to support the Bill. While doing so, I wish to make a few observations regarding some of the various points mentioned by the hon. Members on the floor of the House. Most of the Members supported the principle contained in the Bill. Only a few Members were bold enough to say that this measure would kill the industry and the industry would be forced to close down. I fail to see how this small taxation measure will kill the industry. After all, as this taxation measure is based on a slab system, and plantations having an income below the taxable limit fixed under the Bill will be exempt, I do not think those hon. Members are right when they say that this measure will kill the industry.

“Of course, the planters have to face competition from all over India and the world and therefore, it is a matter for consideration whether the rate of taxation should not be regulated in such a way that they meet the competition squarely and that they are enabled to compete in the world markets. I am sure, Sir, that when the Select Committee takes up the question of rate of taxation, it will certainly consider this aspect and the rate of taxation will be fixed reasonably.

“Sir, while endorsing the principle contained in the Bill, I wish to make a few observations regarding the provisions relating to the ‘Charge of agricultural income-tax’. In clause 3, sub-clause (4), there is the principle that in the case of an undivided Hindu family consisting of brothers only, certain relief is given. In 1937, when the Hindu Women's Right to Property Act was passed, the widow was given a right to the joint family property, the same right as that of her husband. This provision, I wish to submit, has not been taken note of in this legislation. We in this State have adopted that provision and extended that provision to agricultural property also. But here in this Bill relief is given

3-20
p.m.

[Sri K. Parthasarathy] [9th August 1954]

only to undivided Hindu family consisting of brothers only or 'of a brother or brothers and the son or sons of a brother or brothers'. What I wish to submit is that if the principle is to be given effect to correctly, it should not be confined to 'son or sons of a brother', but should be extended to cover cases of 'widow' or 'widows of brothers' also. Now the widow of a brother can enforce her right. In order to give effect to such a condition, an amendment may be necessary and I am sure that the Select Committee will consider this aspect and make necessary amendments.

"Sir, an elaborate machinery for collection of this tax has been provided besides the Board of Revenue. I am sure the number of assesses will be very limited and they will be concentrated only on a portion of our State. Therefore, it may be that the regular revenue staff would be enough for the purpose of collection of this tax also. While providing authorities for this purpose in Chapter III, there is a provision in clause 14, sub-clause (5) that 'all officers and persons employed in the execution of this Act shall observe and follow the orders, instructions and directions of the Board of Revenue'. I fail to understand why such a provision is made in this Bill. I feel this is not wholesome. There are various authorities provided for doing certain duties, for enforcing certain provisions and if they are to be directed and instructed at every stage and if the superior authorities are called upon to review an appeal again, I think it will not be fair play. So, I do not think that we should make statutory provision for subordinate authorities to obey each and every direction or order of the Board of Revenue. I submit that all these things will be taken note of by the Select Committee and the provisions of this Bill will be suitably amended, to the satisfaction of all persons concerned."

3-24 p.m. *SRI K. V. RAMASWAMI :—“கனம் உதவி சபாநாயகர் அவர்களே, மலைத் தோட்டங்களுக்கு வருமான வரி விதிக்க உத்தேசிக்கும் இந்த மசோதாவை நான் வரவேற்கிறேன். இதை ஒரு முற்போக்கான மசோதா என்றும் நான் கருதுகிறேன். சர்க்கார் எந்த வரியைப்போட்டாலும் எதிர்க்கட்சியில் இருக்கக்கூடிய நாங்கள் அதை எதிர்த்து எழுந்து மந்திரிசபையில் இருக்கக்கூடியவர்கள் பல முறை எங்களைக் குற்றஞ்சாட்டியிருக்கிறார்கள். ஆனால், இந்தத் தடவை முழுமனதோடு நாங்கள் இந்த மசோதாவை வரவேற்கிறோம். ஏன்? வரி கொடுக்கக்கூடிய சக்தி யாருக்கு இருக்கிறதோ, அளவுக்குமேல் யார் நிலங்களை வைத்திருக்கிறார்களோ, அவர்களுக்குத்தான் வரிக்குமேல் வரி போடவேண்டும் என்பது எதிர்க்கட்சியைச் சேர்ந்த எங்களுடைய கொள்கையாக இருந்து வந்திருந்தது. அதன் காரணமாகத்தான் நாங்கள் இந்த மசோதாவை வரவேற்கிறோம்.

“மலைத் தோட்டங்களிலிருந்து வரக்கூடிய வருமானத்தின்மீது படிப்படியாக வரி விதிக்கக்கூடிய கொள்கையானது இந்த மசோதாவில் அனுஷ்டிக்கப்படுகிறது. இந்த முறை மிகவும் பாராட்டத்தக்க முறையாகும். காப்பி, தேயிலை போன்ற மலைத் தோட்டப்பயிர்களின் மூலம் வருமானம் அடையக்கூடியவர்கள், தங்களுடைய சாகுபடி செலவு, மற்றும் இதர செலவுகள் போக ரூ. 3,000-க்கு மேல் நிகர வருமானம் கிடைக்கக்கூடியவர்களுக்கு இந்த வரி படிப்படியாக போடப்படுகிறது. அப்படிப் போடுவதில் காப்பி, தேயிலைத் தோட்ட முதலாளிகளுக்கு எந்தவிதமான நஷ்டமும்

9th August 1954]

[Sri K. V. Ramaswami]

எற்பட்டுவிடாது. சென்னை ராஜ்யத்திலுள்ள தேயிலைத் தோட்டங்களில் 70 முதல் 80 சத விசிதம் வரை வெள்ளைக்கார கம்பெனிகளுக்கு சொந்தமாக இருக்கிறது. Pierce Leslie போன்ற வெள்ளைக்கார கம்பெனிகள் சென்னை ராஜ்யத்தில் இருக்கக்கூடிய தேயிலைத் தோட்டங்களின் மூலமாக ஏராளமான கொள்ளை லாபம் அடித்து வருகின்றன. மலை ஜாதியினர்களை யெல்லாம் அவர்கள் மிருகங்களைப்போல் நடத்தி, அவர்களைச் சுரண்டிக் கொண்டிருக்கிறார்கள். இப்படிப்பட்ட மலைத் தோட்டங்களில் மிக அருமையான பொருள்கள் கிடைக்கின்றன. அவைகளிலால் லாபம் அடையக்கூடிய கம்பெனிகளுக்கும் தனிப்பட்ட முதலாளிகளுக்கும் நிச்சயமாக வரி போட வேண்டியது அவசியம். இதுமாதிரி அதிக லாபகரமாகத் தொழில் நடத்துபவர்களமீது வரி விதிக்கும் கொள்கையை சர்க்கார் கையாண்டால், அவைகளுக்கு எதிர்த்தரப்பில் இருக்கக்கூடிய எங்களுடைய ஆதரவு நிச்சயமாகக் கிடைக்கும் என்று தெரிவித்துக்கொண்டு இந்த மசோதாவை நான் ஆதரிக்கிறேன்.”

* SRI P. VENKATESHA SHOLAGAR :—“ கனம் உதவி சபாநாயகர் 3-26 P.m.

அவர்களே, மலைத் தோட்டப் பயிர்த் தொழிலில் ஈடுபட்டிருக்கும் முதலாளிகள் வரிகளிலிருந்து தப்பித்துக்கொண்டு, கொள்ளை லாபம் அடித்து வருகிறார்கள் என்ற கிளர்ச்சி பல வருஷ காலமாக தமிழ்நாட்டிலுள்ள விவசாயிகள் இயக்கத்தின் மூலமாகவும், கம்யூனிஸ்டுக் கட்சியின் மூலமாகவும் நடந்து வந்திருக்கிறது. சாதாரண விவசாயிகளமீது அதிகமான வரி போடப் படுகிறது. அவர்கள் தங்களுடைய சாப்பாட்டுக்குக்கூட போதுமானதாக விளைவித்துக்கொள்ள முடியாமல் இருக்கும்போது அவர்கள்தான் மேலும் மேலும் வரி கொடுக்க வேண்டியிருக்கிறது. அதே சமயத்தில் மலைத் தோட்டங்கள் மூலமாக பல லட்சக் கணக்கான, கோடிக்கணக்கான ரூபாய் லாபமாக வெள்ளைக்கார முதலாளிகள் கொள்ளையடிக்கிறார்கள். ஆனால், கொள்ளை லாபம் அடிப்பதற்குத் தகுந்தபடி அவர்களுக்கு வரி விதிக்கப்பட்டு வந்தது கிடையாது. சர்க்கார் வரி விதிக்கும்போது, சாதாரண விவசாயிகளுக்கு உள்ள வரியைத் தள்ளுபடி செய்து, லாபகரமாக உள்ள இத்தகைய தொழில்களில் ஈடுபட்டிருப்பவர்களுக்கு அதிக வரி விதிக்கும்படி கிளர்ச்சி செய்யப்பட்டு வந்தது. அந்தக் கிளர்ச்சி இன்றைய தினம் ஒப்புக்கொள்ளப்பட்டு, அதன்படி காப்பி, தேயிலை போன்ற மலைத் தோட்டப் பயிர்களுக்கு வருமான வரி விதிக்கின்ற இந்த மசோதாவை நான் முழுமனதுடன் ஆதரிக்கின்றேன். அதே சமயத்தில் இன்னும் அதிக அளவுக்கு வருமானம் வரக்கூடியவர்களுக்கு அமித லாபவரி போடவேண்டுமென்று குறிப்பிடுகிறேன். அதிகமான வருமானம் வரக்கூடியவர்களுக்கு கணிசமான அளவு வரி போடவேண்டும். இந்த மசோதாவானது பொறுக்குக் கமிட்டிக்குப் போகும்போது இது விஷயத்தைச் சரியான முறையில் பரிசீலிக்க வேண்டுமென்று நான் கோருகிறேன். வரி கொடுக்கச் சக்தியுடையவர்களின்மீதுதான் வரி விதிக்கப்படவேண்டும். சிறிய விவசாயிகளுக்கு வரி போடுவதை எவ்வளவுக்கெவ்வளவு குறைக்க முடியுமோ அவ்வளவுக்கவ்வளவு குறைத்து, பெரிய விவசாயிகளுக்கு அவ்வளவுக்கவ்வளவு அதிகமாக வரி விதிப்பதன் மூலமாகத்தான் நாட்டின் நலனைப் பாதுகாக்க முடியும். இவைகளையெல்லாம் பொறுக்குக் கமிட்டியார் நன்கு பரிசீலனை செய்ய வேண்டுமென்று கேட்டுக்கொண்டு, என்னுடைய பேச்சை இத்துடன் முடித்துக்கொள்ளுகின்றேன்.”

* SRI K. P. GOPALAN :—“ Mr. Deputy Speaker, I generally welcome this Bill. Sir, owing to the agitation of the Peasant Organizations and people outside and of the Communist Party, at least now the Government have accepted the principle of graduated agricultural income-tax at least for plantations. At the same time, I wish to point out that the Government should bring

[Sri K. P. Gopalan] [9th August 1954]

in a comprehensive legislation levying tax on agricultural income throughout the State, and I hope that the Government will bring such a legislation very soon.

3-30
p.m.

" Sir, while I welcome this Bill, I want to bring two points to the notice of the Government. After this Bill is passed, the plantation owners will naturally try to see that the prices of tea and coffee are increased and the consumers put to trouble. I want to bring to the notice of the Government that it is necessary that the people's interests are not endangered. Hon. Members have already spoken about how the plantation owners exploit the labour of this country. I do not want to explain it further. There are many estates in Malabar. Most of them are owned by Europeans and they have amassed huge wealth. At the same time, if we look at the condition of plantation labour, we will find that even now, after we have got our independence, they are treated like cattle. The Plantation Labour Act was passed in 1951. It is now in 1954 that Government are intending to give effect to it. Even now, we see that the workers are not treated as they deserve to be treated in the estates. After this Bill is passed and when it becomes law, I know planters who have greed for more and more profits will cut the wages of workers. While I support this Bill I want to place before this Government and the Government of India, this particular fact. Workers will never agree to any wage cut. They will not allow the planters to cut their wages. The Standing Committee on Plantation Labour and also several other associations have brought to the notice of the Government and also the owners of plantations that they want more amenities—hospitals, schools and better wages. They also want decent dwelling houses to be provided for workers. When I say this, I am aware of the fact that there are several estate owners who are petty people. But there are many European owners who have large properties and other interests in the estates. These have got to be confiscated by the Government. I know the Government have a political motive for not doing so. But let me tell the Government, the country is changing. Agitations are growing day by day. People want many reforms. They want to introduce agricultural income-tax. They want other progressive reforms on a comprehensive scale. I think the Government want that reforms should be introduced gradually and I know that any full-fledged legislation on any subject will be delayed by the present Government. I want that all properties belonging to the British capitalists should be confiscated by the Government. I know in South Malabar, the plantation owners during war time got a profit of £1 per lb. of rubber. In the same way, even now British capitalists are making huge profits and exploiting our labour. Much of our money is flowing out and this money should be utilized properly by our own Government by undertaking suitable legislation to put a stop to our money getting out of our country. This is a good measure and this is going to be discussed by the Select Committee. When

5th August 1954] [Sri K. P. Gopalan]

I welcome it, I must once again point out that the working class will never agree to a wage cut or any other kind of ill-treatment being meted out to them. At the same time, I hope that the Government will also see that the prices of commodities like tea, coffee, etc., are not increased. The Government have taken a right step in undertaking this piece of legislation. With these words I support the motion before the House."

*[SRI T. SHANMUGAM :—“ கனம் உதவி சபாநாயகர் அவர்களே, இப்பொழுது கொண்டுவந்திருக்கும் இந்த தோட்டக்காடுகள் வருமானவரி மசோதாவை நான் எதிர்க்கிறேன். இது மாதிரியாக வரி போடுவதில் பெரிய தொல்லைகள் இருக்கின்றன. இதற்காக Income Tax ஆபீசர்களுக்கு பலவிதமான கணக்குகள் காண்பிப்பதில் ரொம்ப சிரமம் இருக்கிறது. ஏற்கெனவே Property Tax போட்டிருக்கிறார்கள், அதாவே ரொம்ப அதிகமாக இருக்கிறது. போதாக்குறைக்கு இதையும் போடுவது மிகவும் வருந்தத்தக்கது. இது சர்க்காருக்குத் தெரியாதது அல்ல. செட்டிநாட்டு ராஜா சொன்னமாதிரி இந்த ராஜ்யத்திற்கு பணம்தானே வேண்டும்? இந்த அரசாங்கம் அவர்களை 10 லட்சம் ரூபாய் கேட்டால் 20 லட்சமாக கொடுப்பார்கள். இந்தப் பணத்தை வைத்து வேலையில்லாமல் தவித்துக்கொண்டிருக்கும் மக்களுக்கு ஏன் உதவி செய்யலாகாது? இதுமாதிரியான சட்டம் கொண்டுவருவதாக கம்யூனிஸ்ட் கட்சியில்தான் அடிக்கடி பேசிவந்தார்கள். ஆனால் இந்த மசோதாவை சர்க்கார் கொண்டுவந்திருக்கிறது. இதைக் காங்கிரஸ்காரர்கள் கொண்டுவந்தபோதிலும் இந்த ‘கித்தாப்’ கம்யூனிஸ்ட் கட்சிக்குத் தான் போய்ச் செருகிறது. இந்த மசோதாவை இங்கு விவாதித்த பிறகு தீர ஆலோசனை செய்ய செலக் கமிட்டிக்கு விடும்போது நமது செட்டிநாட்டு ராஜாவையும் இந்தச் செலக் கமிட்டியில் வைத்துக்கொண்டால் சர்க்காருக்கு வருவாய் பெருகுவதற்கு வழி சொல்லுவார்கள். வருமான வரி போடுங்கள், வேறு வரி போடுங்கள் என்று சொல்லுவார்கள். நூறு ஏக்கருக்கு 1,000 ரூபாய் என்றால் 400 ஏக்கருக்கு 4,000 ரூபாய் ஆகின்றது. (Interruption.) எனக்குத் தெரியும், தெரிந்ததைத் தான் நான் சொல்லுகிறேன். இந்த மசோதாவில் கூறியிருப்பதைவிட ஏக்கரா அடிப்படையில் வரி விதிப்பதன் மூலம் இந்த அரசாங்கம் வருமானத்தை உயர்த்திக்கொள்ளலாம் என்று சொல்ல விரும்புகிறேன். கணக்குத் தொகையில் எந்த விதமான தவறு இருந்தாலும் விஷயத்தை புரிந்துக்கொண்டால் போதும். இந்தத் தோட்டக்காடுகளிதான் வரி போட்டுவிட்டால், அவைகளை நிலவரியை வசூலிப்பதுபோல் வசூலிக்கலாம். இதன் முக்கியமான நோக்கம் அரசாங்கத்திற்கு வருமானம் வேண்டும். இந்தக் காலத்திலே லாபம் இல்லாத சரக்குகளுக்குக்கூட வருமான வரி போடுகிறார்கள். இந்த நாட்டில் ஏதோ வெள்ளைக்காரன் சம்பாதிக்கிறான், கொள்ளை அடிக்கிறான் என்று சொல்லுகிறார்கள். அப்படி கொள்ளை அடிப்பவர்களை வெளியேற்றுகின்றேன், யார் வேண்டாம் என்று சொன்னது? இதில் முக்கியமான விஷயம் ஒன்று குறிப்பிட விரும்புகிறேன்—இதை மறந்து விடக்கூடாது. செட்டிநாட்டு ராஜாவை செலக் கமிட்டியில் போடவேண்டுமென்று சொல்லிக்கொண்டு என் பேச்சை முடித்துக்கொள்ளுகிறேன்.” (சிரிப்பு.)

* DR. K. B. MENON :—“ Mr. Deputy Speaker, Sir, my first impression as I perused the Bill was that the Government are not making a constructive, progressive and scientific approach towards taxation. The tax structure of any country should be very delicately poised giving the Government plenty of revenue and the people plenty of amenities. I am quite sure that our learned Finance Minister is aware of the canons of taxation. Therefore I have a sneak feeling that he had some motive in camouflaging this tax and his effort, if I am not reading motives, is to deceive and divide the

3-36
p.m.

3-40
p.m.

[Dr. K. B. Menon]

[9th August 1954]

opposition. There can be and there is no opposition to an agricultural income-tax. An agricultural income-tax is the only legitimate and fair system of taxation in a country where the land holdings are very small and where the average cultivator lives on the margin of subsistence. I also have a feeling that if we shift from the land revenue to the agricultural income-tax the Government are not going to lose anything by it provided a fairly graduated system of agricultural income-tax is introduced. That has been the demand of the people and I believe Government also have that in view. As and when the Government introduce changes in the land tenure system, I suppose they will also be considering the introduction of or shifting to the agricultural income-tax system. But the tax as is presented in the Bill is not a substitution of the agricultural income-tax for the land revenue. The land revenue remains there. I think the plantation owners in Wynaad will be subject to four items of taxation, the land revenue, the revenue surcharge, the super-tax and also the agricultural income-tax. They will have to pay four taxes on four different scores. This I do not think is very fair. (Interruption.) The four taxes are, land-tax, revenue surcharge, super-tax, and the proposed agricultural income-tax. Have I omitted any other tax?"

SRI P. RAMAMURTHI :—" There is the export duty."

* DR. K. B. MENON :—" Whatever it be, I feel that the burden of tax on the planter is rather heavy and he will have the temptation to evade. I accept at the same time that the average holding in Wynaad is very large and that many of them can afford to pay the tax. What I have to say is this : While it will be difficult to shift this tax on to others, clever planters will yet shift this on to others. In these days when we know that four or six different sets of books are kept in order to evade paying income-tax, I will not be surprised if the planters also resort to such methods."

THE HON. SRI C. SUBRAMANIAM :—" Let not the suggestion go from this House."

* DR. K. B. MENON :—" I am not suggesting it. I am not also blaming the planters, but only wish to say that from that point of view this tax is not quite right. I also have a feeling that the Government are not presenting the full facts to us. We, who are in the opposition, have certainly no access to facts. The Government have full access to facts and when the Government claim that they expect only seven or eight lakhs of rupees from the proposed tax, I question it. I do not know whether the Government can supply me with figures as to the number of assesseees, the landholdings exactly calculated, probable revenue they are likely to get from the imposition of this tax. I am inclined to believe that it is going to be far more than seven or eight lakhs of rupees. The probable revenue from this tax may run to even three or four times the given estimate. That is my feeling. On this I feel that the Government are not quite frank, that they are not giving

9th August 1954]

[Dr. K. B. Menon]

us facts, that they are going by the backdoor in order to get a certain revenue. This is unscientific and this is not a constructive approach to the problem. I have heard talks of a Welfare State. The Co-operative department talks of a Co-operative Commonwealth. Such talks are in the air, but I believe that talking about a Welfare State and a Co-operative Commonwealth is acting like the child who cries for the moon in the mirror. Unless we are able to overhaul our social relationships, unless we are able to reorientate this social relationship, Welfare State and Co-operative Commonwealth are mere talks in the air. It is not easy to overhaul the social system and establish new social relationships. It is bound to take time. By giving a few amenities, by introducing the community welfare schemes, I do not think we are getting anywhere near the Welfare State or the Co-operative Commonwealth. This is trotted out in order to deceive the poor and to justify the weight of taxation. Relief certainly is necessary in a country like India where the average income is low. Every effort I believe should be made to shift the burden of the tax from the poor to the rich. At the same time we should remember that, placed as we are and industrially so backward as we are, we should be careful when we tax the industries.

“My submission is that I am not opposed to the agricultural income-tax. We are not opposed to the agricultural income-tax; but when the Government impose an agricultural income-tax, the Government must come out in a straight way and there should be no quadruple or multiple taxation.”

* SRI M. P. SUBRAHMANYAM :—“கனம் உதவி சபாநாயகர் அவர்களே, காபி, மீ, முதலிய தோட்டங்களிலிருந்து கிடைக்கும் வருமானத்தின்மேல் வரி போட வேண்டும் என்ற முறையில் ஒரு மசோதாவைக் கொண்டு வந்ததை நான் மனப்பூர்வமாக ஆதரிக்கிறேன். இந்த வரியினால் சமார் ஆறு அல்லது ஏழு லட்சம் ரூபாய்தான் வருமானம் கிடைக்கும் என்றாலும் இந்த சட்டத்தின்படி வரி போடுவதன் நோக்கத்தை கண்டும் சர்க்கார் அதில் எடுத்துக்கொண்டிருக்கும் கண்ணோட்டத்தைக் கண்டும் நான் அதை பாராட்டுகிறேன். யாருக்கு வரி கொடுக்க சக்தி இருக்கிறதோ அவர்களுக்கு வரி போட்டதைப் பற்றி நான் மிகவும் மகிழ்ச்சி அடைகிறேன். சாதாரணமாக நம் நாட்டில் விவசாயத்திலிருந்து கிடைக்கக்கூடிய வருமானமானது இடத்திற்கு இடம் மாறி இருக்கிறது. ஒரு இடத்தில் ஒரு ஏக்கருக்கு நூறு ரூபாய் வருமானம் வருகிறது மற்றொரு இடத்தில் ஒரு ஏக்கருக்கு ஆயிரம் ரூபாய் வருமானம் வருகிறது. ஆகவே ஏக்கராவக்கு இவ்வளவு வரி கட்டவேண்டுமென்று விதிக்கும் முறை சிறந்தது இல்லை என்று எதிர்க் கட்சிக்காரர்கள் பல காலமாகக் கூறிக்கொண்டு வந்திருக்கிறார்கள். ஏக்கருக்கு இவ்வளவு வரி என்று போடாமல் அந்தந்த ஏக்கரில் வரக்கூடிய வருமானத்தின்மேல் வரி போடுவது தான் மிகவும் சாலச் சிறந்தது என்று நினைக்கிறேன். அந்த வகையில் முதல் முதலாவதாக வருமானத்தின் மீது வரி விதிக்கக் கொண்டு வந்திருக்கும் இந்த முறையையே எல்லா துறைகளிலும் கொண்டு வர வேண்டும். அந்த முறையில் இப்பொழுது காபி, மீ போன்ற தோட்டங்களுக்கு போடப்பட்ட வரியானது முதல் அறிகுறியாகும் என்று நினைக்கிறேன். இதைப் போன்று மற்ற துறைகளிலும் வரி போட வேண்டும். அதாவது மில்கன், இண்டஸ்ட்ரீஸ் துறைகளிலும் அதிகப் படியான வருமானம் கிடைக்கிறது. அவ்விதம் பல துறைகளிலும் வருமான வரி போடுவது என்று ஆரம்பித்தால் பல தொல்லைகள் நீங்கி விடும் என்று நினைக்கிறேன்.

3-48
p.m.

[Sri M. P. Subrahmanyam] [9th August 1954]

3-50
p.m.

“ஆனால் காப்பி, தேயிலை, எலம் போன்ற தோட்டப் பயிர்களுக்கு வருமான வரி விதிப்பதைப் பலமாக எதிர்க்கிறார்கள். ஒரு சில குறிப்பிட்ட பத்திரிகைகளும் பக்கம் பக்கமாக இந்த வரி விதிப்பு மசோதாவை எதிர்த்து எழுதுவதைப் பார்க்கிறோம். இந்த மசோதா பிரசுரம் ஆன பிறகும் (share) பங்குகளின் விலை கொஞ்சம்கூடக் குறையவில்லை. அதற்கு மாறாக இவ்வாண்டு பங்குகளின் விலை கூடுமென எதிர்பார்க்கப் படுகிறது. இவைகளிலிருந்து வரும் லாபம் மிக அதிகமாக இருப்பதையும் பார்க்கிறோம். பொதுவாக நாங்கள் இந்த வரி விதிப்பை எதிர்க்கவில்லை. இருந்தாலும் இந்த வரி போடுவதால் தங்கள் வருமானம் குறைந்து விட்டது என்று தோட்ட முதலாளிகள் சொல்லி தோட்டத் தொழிலாளர்களின் சம்பளத்தையும், வசதிகளையும் குறைத்துவிடாமலிருக்கும்படி சர்க்கார் தக்க ஏற்பாட்டைச் செய்யவேண்டுமென்பதே எங்கள் அவா. அதோடு இன்னொன்று. இன்றையதினம் நம் மகாண மக்கள் கொடுக்கும் வரிப்பணத்தில் பெரும்பகுதி மத்திய அரசாங்கத்திற்குச் சென்று விடுகின்றது. ஒவ்வொரு மாகாணத்திலிருந்தும் கிடைக்கும் வரிப்பணத்தில் மத்திய அரசாங்கத்திற்கு எவ்வளவு பணம், மாகாண அரசாங்கங்களுக்கு எவ்வளவு பணம் என்று ஒதுக்கவேண்டுமென்பதைப்பற்றி விசாரித்து ஒரு முடிவு விதிக்க ஒரு கமிஷன் நியமிக்கப்பட்டிருப்பதாக அறிகிறோம். இன்னென்ன வரிகள் தான் மத்திய அரசாங்கத்திற்குப் போகும் என்று உடனடியாக வரையரைந்தாக வேண்டியதும் முக்கியமானது. நாங்கள் சொல்வதெல்லாம் நம் மக்களுக்கு வரியே போடக்கூடாதென்பது அல்ல. நம் மக்களிடமிருந்து வசூலிக்கப்படும் பணம் இந்த ராஜ்யமக்களின் வசதிக்காகவே செலவிடப்படவேண்டுமென்பதுதான். அதில்லாமல் இன்றையதினம் மத்திய அரசாங்கத்திற்குப் போய்விடுகின்றது என்பது தான் எங்கள் நீண்ட நாளை குற்றச்சாட்டு. இதை நாங்கள் வெகுகாலமாகவே சுட்டிக்காட்டிக்கொண்டு வந்திருக்கிறோம். ஆகவே சர்க்கார் இப்பொழுது போட உத்தேசித்திருக்கும் வருமான வரிப்பணம் முழுதும் நம் ராஜ்ய மக்களின் நலனுக்கே செலவிடவும் முயற்சிக்கவேண்டும். இந்த மாதிரியான முற்போக்கு வரித்திட்டங்களையே நாங்கள் வரவேற்கிறோம் என்று சொல்லிக்கொண்டு இந்த மசோதாவை நான் ஆதரிக்கிறேன்.”

SRI P. RAMAMURTHI :—“கனம் உதவி சபாநாயகர் அவர்களே, வழக்கத்திற்குமாறாக இன்றையதினம் பெரும்பாலான மலையாளப் பிரதிநிதிகள் இந்த மசோதா சம்பந்தமாகத் தெளிவாக பல விஷயங்களை அவர்களுக்குப் புரியும்படி பேசவேண்டுமென்று விரும்புவதால் நான் ஆங்கிலத்தில் பேச விரும்புகிறேன்.

“Sir, the debate on this Bill has shown that the opposition to the principle of this Bill cuts across all barriers of parties. The opposition has come from all, prominently from Congressmen. Maybe, those people have not directly dared to oppose this Bill. In fact, one or two hon. Members of the Opposition also do not dare to come forward with opposition to the principle of the Bill because they know that in the condition in which we are to-day, in the condition in which our country is to-day and in view of the people's attitude to-day any direct and open opposition to this Bill would mean that they would be thoroughly isolated from the people. Therefore, they have adopted new tactics and they have had to say : ‘ We do agree with it in principle, but there are other factors which have got to be considered ’. What are those other factors? They say : ‘ We have got to wait till the time is ripe for it. There is the Taxation Enquiry Commission which is sitting and which is going into the whole taxation structure. Therefore, why should we go in for fresh taxation now? Let us wait for some time and in the meanwhile, let not our taxes go on piling up

9th August 1954] [Sri P. Ramamurthi]

and let not the taxes on the common people continue to be piled up'. When it comes to the question of vested interests being affected in this country, all these specious argument are advanced. That is one aspect of the question.

" Secondly, the main point that I would like to emphasise is that this is a measure in which we, Members of the Opposition—I am talking of the real Opposition in this House and there are many hon. Members who have labelled themselves as Opposition Members but who have during the last few months, openly and quite clearly assumed a quite different role—find ourselves completely in agreement. By 'real Opposition' I mean the Party which I have the honour to represent in this House. (Interruption by some hon. Members.) I am not yielding."

DEPUTY SPEAKER :—" The hon. Member is not yielding."

DR. K. B. MENON :—" On a point of order, Sir. Is the hon. Leader of the Opposition entitled to say that those others sitting in the Opposition are not really in opposition."

SRI P. RAMAMURTHI :—" I am entitled to say what that opposition really means. They may be formally sitting in the Opposition Benches but the Opposition that they represent does not constitute 'opposition' in the real sense of the English word and in the real sense in which the common people will use it. I am entitled to say it. This is no disparaging remark on any hon. Member of the Opposition."

SRI T. SHANMUGAM :—" I am opposing the Bill."

SRI P. RAMAMURTHI :—" It is for the Chair to give a ruling on the point of order raised by the hon. Member."

DR. K. B. MENON :—" I want the Chair to let me know whether the hon. Leader of the Opposition elected by the Opposition or supposed to have been elected by the Opposition and accepted by the Hon. Leader of the House . . ."

DEPUTY SPEAKER :—" Not by the Hon. Leader of the House but by the Hon. Speaker."

DR. K. B. MENON :—" Yes, by the Hon. Speaker can make an accusation that those sitting in the Opposition are presenting a bogus opposition? "

DEPUTY SPEAKER :—" I am sorry he never said 'bogus'."

DR. K. B. MENON :—" He said that the real Opposition was only his Party."

DEPUTY SPEAKER :—" There is a difference between a real and a bogus Opposition."

[9th August 1954]

DR. K. B. MENON :—“ By using the words ‘ real Opposition, he insinuates that the rest of them are bogus opposition.’ ”

DEPUTY SPEAKER :—“ He has only explained it and he has never made any insinuation against any hon. Member.”

DR. K. B. MENON :—“ Making an accusation against a Party is much more serious than an attack on an individual.”

SRI P. RAMAMURTHI :—“ Since the Chair has already given a ruling on the point raised by the Leader of the Socialist Party, I would like only to point out to him that he should not be too much touchy. Even our Party was attacked a number of times but we were not so much touchy. He must know to take things even when hit hard.

“ Sir, now I would like to say that this is one of those measures that we wanted the Government to bring forward when we had the first Budget discussion. When we were elected and the first Budget was presented in 1952, we pointed out that the entire structure of taxation had got to be changed and we opposed some of the taxation measures in the first session. Later in the next session, we suggested specific measures, this particular measure being one of those measures, which would obviate the necessity of imposing further taxes on the common people. I believe that the Hon. Minister for Finance, at that time, also promised that he would bring forward this measure. I recall that day and now two years have elapsed since that promise was made. Better late than never. Therefore, I am glad that this particular measure has been brought forward.

4 p.m.

“ Now, I would like to take up only some of the very salient points that have been put forward in opposition to this Bill. The hon. Member, the Raja of Chettinad, for instance, put forward a number of points. Some of these points have also been repeated by Members from both sides of the House. As a very great friend of labour, the Raja of Chettinad pointed out that the planters had got many onerous burdens cast upon them statutorily. The planters had to undertake to provide certain facilities for labour which normally other employers of labour were not obliged to provide. The Raja Saheb referred, for example, to the Plantations Labour Act which was passed in 1951 and which, so far as I know, has not been implemented as yet. It is high time that this Act was implemented and I believe that there are signs that it is going to be implemented very soon. He said that if these new measures of taxation are imposed on the planters it is labour that will suffer as the planters will not undertake to implement the various beneficial provisions in the Plantation Labour Act. Therefore, in the interest of labour, he made a particular appeal to us (of the Communist Party) that we should not fall a victim to the share that the Hon. the Minister for Finance has spread before us. I can only tell him that I know the Hon. the Minister for Finance very well, I can find out whether there is a share in it or not and I know on which side

9th August 1954] [Sri P. Ramamurthi]

my bread is buttered. I would therefore request him not to worry himself on our behalf. I was present at the last conference of the Plantation Tripartite Committee which was convened at Ootacamund on the 19th and the 20th of July 1954 for the consideration of the draft rules for the implementation of the Plantations Labour Act of 1951 and I would like to point out to the hon. Member, Raja Muthiah Chettiar of Chettinad and certain other friends of the planters who are here that the arguments that have been advanced here are not the arguments that the planters themselves advanced in the Tripartite Conference. They never said, for example, that as a result of this taxation measure, they would not be able to provide housing facilities, drinking water facilities, latrine facilities or other facilities that had to be provided for under the Plantations Labour Act, 1951, and the rules made thereunder. On the other hand, the burden of their song was: 'Please do not ask us to meet this expenditure from the capital account but allow us to meet this expenditure from the revenue account or, in the alternative, do not ask us to undertake the implementation of these measures within a specified time, for example, housing, and ask us to see that housing facilities are provided for all the people within the course of twelve years but allow us to spread it over a period of 25 or 30 years'. The arguments that are now being advanced on the floor of this House by the friends of the planters, I would like to point out again, are not those that the planters themselves are to-day prepared to advance. This question of providing amenities for labour has come up again and again. In 1951, when the Hon. the Minister for Finance was a Member of Parliament, the Plantations Labour Act came up before Parliament and these very arguments that the Raja of Chettinad and certain others have now advanced here were advanced both during the debates in Parliament and outside. The United Planters' Association of South India, the Assam Planters' Association and other similar Planters' Associations went on advancing the same arguments. All these arguments were then weighed in the balance and found wanting. They were therefore totally rejected and ultimately Parliament itself enacted that certain amenities must be made available for all the plantation workers.

"Why is it that such arguments were advanced in 1951 and why is it that the Raja of Chettinad also has now asked: 'Why should the plantation industry alone be asked to provide all these amenities while other industries are not statutorily obliged to provide these amenities?' The answer is a very simple one. Here is the plantation industry which is entirely different from other industries. For example, we have the textile industry in Coimbatore. The facilities for the transport of the products of the textile industry of Coimbatore, namely, the road transport facilities are enjoyed in common by other people also. But, in respect of these plantations roads had to be laid by the Government over tremendously difficult terrain. Impassable mountain slopes had to be skirted round and a tremendous amount of money has been spent by the State Governments in order to provide good road transport

[Sri P. Ramamurthi] [9th August 1954]

facilities for the plantations for no return whatsoever. As far as the State Governments are concerned the planters have not paid anything towards their cost. On the one hand, the planters have been enjoying freely these fine roads and, on the other hand, in the case of everybody else they had to pay for the road facilities provided for them. This is one of the things that I would like to point out to the planters, namely, that they have enjoyed this facility from out of the revenues paid by the common people to the Government without ever having had to pay for it. This kind of a thing cannot be allowed to continue for ever. The plantation industry is situated at heights of 3,000 to 6,000 feet above seal level in difficult terrain and it is therefore an obligation on the part of the employers to provide housing facilities, drinking water facilities and various other amenities that are necessary for the employees.

Now, the Raja of Chettinad pointed out to us that on account of this proposed taxation, the planters would not undertake the provision of these amenities. I would like to point out to him certain facts. This agricultural income-tax has not been there all along. All along there had been no Minimum Wages Act which came into effect only two or three years ago. As far as our State is concerned, the Minimum Wages Act was, I believe, hardly implemented in 1952. I think it was implemented in the Travancore-Cochin State in 1952. Before 1952 even this Act was not implemented. Therefore, all these years there has been absolutely no kind of additional taxation over the South Indian planters. At least in respect of the Assam planters from the year 1951 they have had to pay an agricultural income-tax, and in the year before last the rates of income-tax and super-tax were also increased. But, as far as the South Indian planters are concerned, apart from the meagre land revenue which they have been paying, there has been no additional taxation whatsoever. During all the years when the planters were making huge profits, the Government did not impose any heavy taxation on them. But, did these planters behave properly? What prevented them all the time from providing the elementary amenities needed for the civilized existence of the labourers? They did nothing of the kind. Unfortunately, the Raja of Chettinad is not here and I hope he would come to know of these things somehow. In 1943 or 1945 the Government of India appointed a Committee known as the Rege Committee which went into the condition of labour in plantations in India. I would just like to read a paragraph from the report of this Committee regarding the worst feature in the life of the plantation workers, namely, overcrowding :—

‘Overcrowding is the most serious problem in the housing of plantation workers. Even according to the planters themselves, the average accommodation provided is one room for 4½ to 5 workers. The accommodation is shared by their dependants also. In many cases the number of persons in each room is 8 to 10 and sometimes up to 14. In some cases it was noticed that the maistries had taken a little more accommodation for themselves which led to still more congestion in the remaining rooms in the line. In the new type of lines built with separate kitchen, the purpose for which the kitchen is provided is defeated by allocating the kitchen and the living room separately to two families,’

9th August 1954] [Sri P. Ramamurthi]

The report then goes on to mention about promiscuity as a result of too many families being huddled together in a one-room-tenement. The plantations have been herein existence for generations. The planters could not complain that the Government had imposed heavy taxation on them. They did not even look into the fact that the plantation workers lived in promiscuity on account of the surroundings in which they were forced to live. Now, the Raja of Chettinad comes and says that if the plantations are subjected to increased taxation the planters will not be able to provide these amenities. It seems they have got to be compelled to provide these things! In spite of the tremendous advantages which the planters had enjoyed they did not provide these elementary amenities and the trade union movement had to come and dictate to them and the Government also had to provide by means of a specific statutory provision that the planters should provide these elementary amenities. This is the attitude which we have to deal with and it is not a question of profits and the wherewithal to provide them.

“ I am sorry that my Friend, Sri H. B. Ari Gowder, has also, unfortunately, joined this chorus of opposition to this Bill. I know that he is a very small planter and we certainly do not want that our small planters should be ruined. I know, as a matter of fact, that the small planters have got themselves into the clutches of the bigger estate owners, particularly the British planters who are in entire control of the export trade in tea, coffee, etc. Therefore, the proper thing to do for people of his type is to fight and see that they get out of the clutches of these bigger sharks, that they are enabled to have an independent existence and are also enabled to compete in an independent market which is not controlled by these bigger sharks, rather than come and oppose the Bill before the House.

“ Now, he was saying that the plantation industry was passing through a crisis. Is that true? As a matter of fact, last year (1952-53) it was made out that the plantation industry, particularly the tea industry, passed through a crisis. I do not want to go into the history of the whole question. It is accepted by all people who are in the know of things that the crisis of 1952-53 was a man-made crisis—a crisis which was manufactured for the purpose of seeing that the Plantations Labour Act of 1951 was not implemented. Those in charge of the plantation industry then thought that by raising this issue of ‘ crisis in the industry ’ before the Government, the latter could be successfully bamboozled in order that the Plantations Act of 1951 was not implemented. Their plan did succeed for a year or two. Unfortunately one could not deceive all people for all time. Afterwards the so-called crisis in 1952-53 was found out to be a man-made crisis, and in the Tripartite talks held in January last when we raised this question the planters had no answer and had to agree ultimately to the implementation of the Plantations Labour Act. Recently draft rules under this Act have come up for discussion and I do not want to go into that question now. What are the real facts? Even according to the official

4-10
p.m.

[Sri P. Ramamurthi] [9th August 1954]

figures, the United Kingdom which is our main market for tea has imported 19 per cent more than that imported last year and the price obtained for tea is 44 per cent more than that obtained last year. It is usual for these planters to say, if there is no profit that workers should not get amenities, but if there is a profit or if there is a boom in the industry and if the Government also want a part of it by way of increased income-tax they would say that there might be a crisis next year if not this year and the year after and so on. We are living in a capitalistic society. Booms and crises cannot but rotate. We can have neither a continuous boom nor a continuous crisis, and one, therefore, has to provide for both. It was said by many that the plantation industry had been passing through a crisis during the last twenty years. I do not have the figures for the last twenty years but I have got figures from 1939 onwards up to 1946, i.e., the period of the Rege Report. This Rege Report after an enquiry into the conditions of labour in plantations in India was written in 1946. The Labour Investigation Committee under the Chairmanship of Shri D. V. Rege found that some of the companies in South India had made huge profits. Here are their figures—

	1938	1939	1940	1941	1942	1943	1944	1945
	PER CENT.	PER CENT.	PER CENT.	PER CENT.	PER CENT.	PER CENT.	PER CENT.	PER CENT.
Highland produce ..	27½	27½	27½	27½	50	17½	17½	..
Kalapeta ..	17½	6½	7½	22½	25	40	25	15
Periakaramalai ..	20	25	17½	17½	20	35	35	35

“ During a period of seven or eight years these companies were able to earn not only the total capital invested but also bonus capital which is obtained by declaring certain shares as bonus shares. Apart from that they had set apart huge reserve funds. But as regards providing amenities to workers they did not bother. The employers would give some amenities to workers not of their own volition but only when they are compelled by the trade union movement or by a Government which is sympathetic to workers, which takes into consideration the welfare of workers and compels them by statute to provide certain amenities for workers. Therefore the point made by some hon. Members that workers will be hard hit by this measure is one which will, at any rate, not deceive us. We have tremendous experience of these employers and, therefore, how can we act contrary to our experience?

“ There is a share market known as the investment market. We are certainly interested in seeing that private investment is taking place in industries. I am one of those persons interested in seeing that investment takes place in private industries. But there is difference between investment and investment. There is difference of opinion between the hon. Member Raja Muthiah Chettiar and me with regard to the meaning of the word ‘investment’ itself. For example, I will never consider ‘speculation’ which is the bane of our society to-day and which is taking place day after day as ‘investment’. I shall illustrate my point. If in a Binny Company share a sum of Rs. 100 was originally invested and that

9th August 1954] [Sri P. Ramamurthi]

share is now sold for Rs. 200, I will certainly consider that there has been no investment of Rs. 200. In fact there is no further investment at all because there is no change in the machinery of the company. It is only a question of gambling in the share market. We are not at all concerned with gambling in the share market because it has nothing to do with real investment. What we understand by investment is investment of whatever surplus money available in fresh productive apparatus, investment in something which will produce something more. Here the plantation companies have been there for the last sixty or seventy years. But still not even an iota or single grain of investment has taken place all these years. Therefore this argument of share market falling or share market dying does not at all bother us.

“ Another gentleman, I think it is Mr. Raghava Mudaliyar, got up and said ‘ that rubber is a war material, that it is a very strategic material and therefore it should not be taxed ’. Well, I would say that precisely because rubber is a strategic material we should tax it. We are not interested in selling our rubber to those countries which are interested in unleashing a third world war. We are not interested in selling our rubber to war-mongers and if this taxation measure prevents the export of rubber from this country and if this also acts as an incentive to the setting up of machinery and plants for seeing that the rubber produced in our country is converted into manufactured goods that are needed by the people of our country, then I would certainly say that for that very purpose this taxation measure is absolutely essential and that it is serving a very good purpose.

“ Then, Sir, some hon. Members referred to the agricultural income-tax levied on plantations in the Travancore-Cochin State and said that the measure now under consideration before us was entirely different from the former. I am not concerned with the structure of taxation in the State of Travancore-Cochin State or in some other State. What I am concerned with is the principle adopted in this taxation measure and the manner in which this taxation is sought to be imposed. These are the two considerations which should guide us in deciding the correctness or wrongness of this particular taxation measure. I would say that barring a few things here and there this taxation measure agrees with my ideas of the canons of taxation. One Gentleman said that only 12 lakhs of rupees was going to be derived as revenue from this taxation measure. I ask, why should anyone think that this measure is going to yield only Rs. 12 lakhs. It may yield more. Probably their argument was that the sum of Rs. 12 lakhs might be got with reduced rates of taxation and that therefore the rates of taxation proposed in the Bill could very well be reduced. This will be the sort of argument that is bound to be made. It is not a question whether the Government of to-day are in deficit by 12 lakhs of rupees or whether they want twelve lakhs of rupees. My concern is whether those people who can afford to pay and who have been minting money all these years can afford to pay.

[Sri P. Ramamurthi]

[9th August 1954]

this tax and if they can afford to pay why should not the Central Government and the Provincial Government get some revenue out of these people. It is for the Legislature to see to it that the Congress Government do not spend that money in a manner which is against the interests of the people. The people have got a right to see that the revenue collected from such taxation measures are properly utilized. At the same time a measure intended to tax those who have got to be taxed will have to be welcomed and supported.

2-40
P.m.

“ The Praja Socialists of all people have now come out in opposition to this Bill. Well, if I say that I was rather surprised, people would think that I had expected something else from them. I did not expect anything. I am surprised that the Socialists who have been pleading for the nationalization of each single industry have now come out in opposition to a measure of taxation of the rich. No longer could the Praja Socialists deceive people with regard to the benefits of socialism. Their opposition to this simple measure of taxing the rich planters and the attitude they have displayed only exposed ‘their camouflaged socialism’.”

DR. K. B. MENON :—“ Is it quite parliamentary on the part of the hon. Leader of the Opposition to criticize one belonging to the Opposition? ” (Laughter.)

SRI P. RAMAMURTHI :—“ That Praja Socialist Party, which criticized us, I mean the Communist Party, when we said a few years ago that judging then the state of society, it was no longer possible to nationalize each and every industry but that there should be a certain amount of capitalization, has now come out in the open opposing this taxation measure. When we said then that the country was not ripe for a socialist transformation and that there was therefore need for some private enterprise, we were criticized as betraying socialism. To-day what is the position? Those proud votaries of socialism, those great lovers of nationalization of each private industry, those who would not allow any man to own any private industry, are now opposed to a taxation of not the poor but the rich planters. Somebody said that there should not be double taxation. What does it matter if there is double taxation, treble taxation, quadruple taxation or quintuple taxation, when the persons who are taxed are wealthy enough to bear it and the taxation is not beyond their capacity to pay? We are not concerned with the manner in which or the number of times one is taxed; but we are concerned whether that particular company or individual who is taxed has got the means to pay it. Well, if the answer is in the affirmative and the company or individual is not taxed beyond their or his capacity to pay, certainly to that extent the tax is welcome. So far as the true purport of socialism is concerned, I leave it to the people, I leave it to the Members of this Assembly, to judge, I leave it to them to judge what exactly is the meaning of socialism by which the Praja Socialists swear. We are not against socialization of industry. But as we understand the problem, there are different stages to attain that objective.

9th August 1954] [Sri P. Ramamurthi]

Nationalization of key industries is necessary as otherwise we would be betraying the cause of workers. Further than that, let me say that nationalization of each and every industry at one stroke, without passing through the different stages, will not, according to us, viz., the Communist Party, bring about socialization of industry. I leave it at that.

“ So far as this Bill is concerned, we are not concerned with what amount it would realize. But we are concerned with the principle underlying the Bill. So long as it is a tax on those who could afford to pay, we would certainly support it.

“ There are certain other things with which I would like to deal. I find that there are certain lacunae in the Bill which need scrutiny and remedying. For example in the definition clause it is said :

‘ In this Act, unless the context otherwise requires :

“ (i) ‘ agricultural income ’ means—

(1) any rent or revenue derived from a plantation ;

(2) any income derived from such plantation in the State by ;

(i) agriculture or

(ii) the performance by a cultivator or receiver of rent in kind to render the produce raised or received by him fit to be taken to market, etc., etc. ”

In the morning the Raja of Chettinad pointed to certain lacunae in clause 10 dealing with exemption from assessment to income-tax. It is said in clause 10, sub-clause (b) that any dividend, which one receives as a shareholder out of the agricultural income of a company which has certified that it has paid or will pay the tax under this Act in respect of the agricultural income of such company, will not be subject to this tax. Of course the proviso to clause 10 is there. But that is not enough. I do not want that small shareholders should be taxed. But what I say is by this sub-clause (b) of clause 10 the big sharks, I mean the big Managing Agents, who are paid from the profits and who perhaps hold controlling shares in these concerns, are left scotfree. With the present wording of clause 10 by which it is said that a dividend paid to a shareholder is not subject to this tax, the Managing Agents are given a free-hand. I do not think they could be taxed because the present wording of clause 10 will give them protection in a Court of Law. That is why I say that a positive definition should be given as to what is an ‘ agricultural income ’. I am for a positive definition being given to it by which the income derived from the plantations by these Managing Agents could be taxed, even though it may be in the form of a dividend. Let of course the small shareholders be exempted. There are very big companies. Kanandevan and Pierce Leslie belong to that category. Many large estates are there in our State even though that of the Birla's is in Anamalais and is situated in Travancore-Cochin State. These managing agents derive huge income from plantations. Obviously it is agricultural income. They get some percentage over the net sales of the company. They enter into agreement with the

[Sri P. Ramamurthi] [9th August 1954]

companies and if and when the income exceeds that prescribed in the agreement, they get a remuneration. Many of them will have controlling shares. Can we leave all these big sharks out of the picture? If we simply say that a dividend paid to a shareholder is not subject to tax, surely these big sharks will come under that category and they will escape. That is why I plead that a sort of amendment might be inserted in clause 10, sub-clause (b) by which the income derived by the Managing Agents from these companies might be classified as agricultural income and be subject to this tax.

(At this stage, Mr. Speaker occupied the Chair.)

4-30
p.m.

"I do not want that this Bill should go to a Select Committee because I know what will happen to this Bill from the trend of discussion that has taken place here. However much the Hon. the Finance Minister might tell me that he can stand any pressure, I am afraid that ultimately the Government will not be able to withstand the pressure."

THE HON. SRI C. SUBRAMANIAM :—"It shows you have no faith in me!"

SRI P. RAMAMURTHI :—"Sir, the Finance Minister is only a representative of a party. He cannot do anything in his individual capacity. If this Bill is referred to a Select Committee, I am afraid that the rate of taxation will be lessened. Pressure will be brought for that purpose and ultimately the Government might not be able to stand the pressure that might be brought upon them and they will succumb to it. That is why I oppose the move for referring this Bill to a Select Committee and I would like that this Bill is taken into consideration immediately. If necessary the House can be adjourned for one day—to-morrow happens to be a holiday—and we can have a holiday the day after to-morrow. The Government can think of further amendments that are absolutely essential. They have got enough talents and they have got their law officers also. We also have some talents, even legal talents with us. The day after to-morrow we can give our amendments, discuss them and the Bill can straightaway be passed into law.

"Barring these things, I would like to say that we welcome this measure as a measure in the progressive direction. In this connexion I would like to refer to the growth of taxation in our country. Both the Central and the State Governments have increased their taxes. For example, the Central Government's taxation has increased to a little over Rs. 400 crores in the year 1953-54 from Rs. 274.46 crores in the year 1946-47. Similarly, the total revenues derived from all the Part A States has gone up to Rs. 234.22 crores in 1952-53 from Rs. 173.40 crores in 1946-47. There have been further increases in the subsequent years also and if one reads the Appendix to the Budget Speech of the Hon. the Finance Minister, one will find that the taxation has increased in our own State also. From about Rs. 47 crores in the year 1945-46,

9th August 1954] [Sri P. Ramamurthi]

it has increased to Rs. 59 crores in 1951-52 and for the year 1954-55 the estimate is Rs. 44 crores for the residuary Madras State alone. The taxation revenue for the entire State (including Andhra) was Rs. 47 crores in 1945-46 whereas now it is nearly the same for the residuary Madras State."

THE HON. SRI C. SUBRAMANIAM :—" My ambition is to make it the same."

SRI P. RAMAMURTHI :—" I am not opposed to this increasing taxation provided the burden does not fall on the common people, but unfortunately it affects only the common people. If we analyse the tax structure both in the Centre and the State during the last 6 or 7 years, we can understand the enormity of the increased burdens on the common people. A comparison of the proportion of direct to indirect taxation will amply bear out this statement. I will now quote the figures :—

Year.	Percentage of direct taxation to total tax revenue.	Percentage of indirect taxation to total tax revenue.
1947-48	47	53
1948-49	43.7	56.3
1949-50	37	63
1950-51	35.2	64.8
1951-52	29.2	70.8
1952-53	30.4	69.6
1953-54	28.3	71

The above figures will show that the proportion of indirect taxation has increased from 53 per cent to 71 per cent. What is indirect taxation? Indirect taxation is taxation which falls almost on every individual in this country, e.g. land revenue, sales tax, excise, etc. Direct taxation is income-tax and things of that kind. Therefore, when indirect taxation has gone on tremendously increasing, it means that the burden of taxation on the common people has tremendously increased during the last five or six years. The same is the case with the taxation measures of the State Governments.

" I welcome this particular measure because this would, to some extent, reduce the rate of indirect taxation on the common people and for the first time in this country, instead of taxing the common people, a tax is levied on those classes, particularly the European classes, who can well afford to pay this tax. Therefore it is I say that this particular taxation measure is most welcome. I consider all other arguments that have been put forth with regard to this Bill as emanating from certain vested interests. Well, those vested interests may not express themselves directly, but the proof of the pudding is in the eating! Whose interests do these people represent? That is what we have got to see. The main question is whether the class of people, who are going to be taxed now, can afford to pay the tax or not. After all, what is this taxation

[Sri P. Ramamurthi]

[9th August 1954]

measure aiming at? If a man earns over Rs. 25,000 as agricultural income, he will have to pay super-tax. If there is no income in a particular year, then there will be no tax. I cannot understand why there is so much of opposition to this tax. I have already answered the points relating to the amenities for labour.

“The hon. Member Sri Ari Gowder pointed out that if the planters find it unprofitable they would leave the country and go away. Well, let them go. What is the difficulty? After all, it is the capitalists that are running this industry. I would indeed be very glad if the European planters, who have been looting our country all these years, are made to go if they find that it is unprofitable to run the industry. (Cheers.) They did not contribute to the growth of the plantation industry. I want to make it absolutely clear that it is the labour of the Tamilnad worker, it is the labour of the Malayali worker, that has contributed to the growth of this industry. For Heaven's sake, let the European planters go. We have enough talents in our country. The plantation industry is a peculiar industry where machinery is least used. This is not like the textile industry or the engineering industry or the cement industry where powerful centralized machinery is needed. The machinery used here is very limited, I would say, even negligible. This is essentially an agricultural industry and there are enough talents in our country to look after it. Our Karuppan and Samban will be able to run this industry better than Pierce Leslie or Kanan Devan and all these people will make the wealth available to the country. If the Government of Madras are able to impose such an amount of taxation as would compel the European planters to leave this country, I would be the first person to take off my hat—unfortunately I have no hat and say ‘good-bye’ to them.” (Cheers.)

* THE HON. SRI M. A. MANICKAVELU NAICKER :—“Mr. Speaker, Sir, a large number of hon. Members have taken part in this debate. In fact, as many as seventeen hon. Members have participated in the debate. I am glad that this Bill is generally welcomed, barring opposition from one or two including the hon. Member from Sriperumbudur Constituency. He categorically opposed the Bill. No doubt there were two other grumblers like my hon. Friend from the Nilgiris Sri Ari Gowder. He wanted that the consideration of the Bill should be postponed for a year or two. The hon. Member Sri Raghava Mudaliar also wanted postponement. So the sole honour and credit of opposing this Bill totally goes to my hon. Friend Sri Shanmugham.

“It is a good sign that hon. Members realise just like the Members of the Treasury Bench, that in a Welfare State money is necessary to provide the necessary amenities to the people at large. I am glad that after working for 2½ years in a democratic set-up this change—over has come. No doubt, Sir, in the course of the debate there was a battle royal over the parties and even the colour of the skin of the men also played an important part.

9th August 1954] [Sri M. A. Manickavelu Naicker]

Now, as for the colour, whether it is red or green or black, we need not take that into account. We should go into the merits of this piece of legislation. The Bill is no doubt primarily intended to get some revenue for the coffers of the State. We have hazarded a guess that the revenue will be about Rs. 7 or 8 lakhs. That is only a rough guess. It may be more or less. With the material available on hand, we arrived at that figure. It is always better to have a modest estimate. While one object of the Bill is to derive revenue, the other object is that we must have a scientific form of taxation. When I brought forward the Land Revenue Surcharge Bill, hon. Members took me to task and asked: 'Why do you bring in this Surcharge Bill and why don't you bring in a Bill for levying agricultural income-tax?' Now when I want to try agricultural income-tax in one sector of agriculture, they say: 'No Agricultural income-tax. Plantations are paying only the dry assessment of two to three rupees per acre. Why don't you raise it to ten or fifteen rupees?' I cannot understand such arguments which the Members put forward according to their will and pleasure. After an elaborate enquiry, the Land Revenue Reforms Committee recommended that agricultural income-tax would be the best form of taxation. But the Committee has also cautioned us that we could not rush with this form of taxation in all sectors of agriculture, because agriculturists in the rural parts are not accustomed to keeping regular accounts and that there will be a lot of harassment if we suddenly introduce this form of tax in all sectors of agriculture. That is why the Government are hesitating to introduce it in the entire agricultural sector. But that does not mean that we should not try it in a limited sphere where conditions are different. Planters are educated men and they keep regular accounts. Somebody said that they keep a number of accounts. Anyway they are keeping accounts and it is quite easy to ascertain their income. As an experiment we are levying a tax on agricultural income from coffee, tea, rubber, cinchona and cardamom plantations. If it is successful, gradually we will have to extend it to other sectors of agriculture, because this form of tax is generally accepted to be the most progressive and equitable method of taxation. Under the existing land revenue system, everybody is taxed including the poor agriculturist irrespective of the fact whether he gets any income or not. There is considerable scope for *bona fide* mistakes in the grant of remission. The ryots accuse the village officers and say that they do not properly assess the extent of loss of crop. All these difficulties are there. Agricultural income-tax eliminates all these difficulties and there will be only one uniform taxation for the different slabs of income.

4-40
P.m.

"Much was made of Europeans and non-Europeans. That point is quite unnecessary for the purpose of this debate. But anyway, it was raised. I would state that there is some exploitation in the plantations. Huge profits are made, the profits going

[Sri M. A. Manickavelu Naicker] [9th August 1954]

up to as much as 35 to 40 per cent of the capital, it is said. When I was on the Nilgiris, I heard that the capital doubled or trebled itself in five to seven years. Whatever may be the present exploitation by the planters, we must pay a tribute to those enterprising people who did a sort of pioneering work seventy or eighty years ago when the present plantations were mere forest lands. We must appreciate that. The present exploitation should not cloud our vision. They were good men. We should not grudge giving tribute to the original planters who did so much pioneering work on the hills.

“When I was on the Anamalais, I saw some labour colonies. I was shocked to see the condition in which the labourers were living. The Leader of the Opposition also referred to it. An old woman showed me a room and complained to me with tears in her eyes: ‘Look at this room and in this small room three or four of us—myself, my son and my daughter-in-law—are huddled together.’ The room was intended to be a kitchen according to the original plan. Only the walls were whitewashed. Then alone the idea struck my mind that something should be done to ameliorate the lot of these labourers. When the planters were not providing the required amenities, I thought that some revenue could be raised from the plantations which were yielding huge profits. The hon. Member Sri H. B. Ari Gowder said that the profits should be ploughed back into the industry. Where is that ploughing back? It is all beyond the seas and not here. I am glad that the Central Government are taking some steps to provide amenities to the plantation workers.

“Coming to the hon. Member from Chettinad, I thought he was still having the student-day mentality when he complained about the length of the Bill. In olden days when we were students, there used to be examination question papers—some with long questions and some with short questions. Generally students think that it is easy to answer short questions. But from experience I can say that it is easy to answer long questions. When the questions were long, we were able to deduce from them a part of the answer. I do not know why the hon. Member is flabbergasted at the number of clauses in the Bill. It is necessary to have a number of clauses when we bring in a new measure. We have to specify the officers who will exercise powers and functions under the Act, the Appellate Tribunal and so on. Even with so many clauses, the Leader of the Opposition pointed out several lacunae. A new measure has necessarily to be elaborate. He need not be alarmed at the number of pages and clauses. If he reads the Bill, he will find that it is easy to understand and not at all difficult.

“Then, the objection that was raised by the hon. Member from Chettinad was met by the Leader of the Opposition. The

9th August 1954] [Sri M. A. Manickavelu Naicker]

arguments on the capitalist's side were met by arguments on the Communist's side and so I need not interfere in that warfare.

“ One hon. Member said that there was double taxation. Yes, to some extent there is double taxation. It is not on the whole amount. We are giving rebate for one-sixth. Whatever has to be corrected will be done at the Select Committee stage, and I am saying this generally and not with reference to this particular matter. The lacunae pointed out by the Leader of the Opposition also must be remedied at the Select Committee stage. The Leader of the Opposition need not be afraid that it will be watered down much.

“ An hon. Member from South Kanara referred to the rules. He said that the rules must be known beforehand and that the entire power of rule-making should not be left with the Government. I may assure the hon. Member that the rules will be published and we may take into consideration any suggestions that may be received. The rules framed under certain Acts are placed on the table of the House. Here also it may be so.

“ Then reference was made to penalties. The hon. Member must have known that even the courts do not impose very heavy fines in the initial stages. They levy only a small fine in the beginning and only after the lapse of some time, they impose heavy fines. Here also, because the Act resulting from this Bill is a new one, heavy penalties will not be levied all of a sudden.

“ The hon. the Leader of the Opposition referred to the income derived by the foreign companies and others and said that the housing conditions of the labourers must be improved. That is the idea of the Government also. Whatever could be done indirectly through the Labour department and through legislation by the Central Government will be done and this general income that will be derived will be useful for the general exchequer as well as for improving the condition of plantations, like improvement of roads.

“ The Select Committee will take into account all the details that were mentioned in the course of the debate. I need not go into each and every one of them. For instance, the hon. Member Sri Narayana Kurup and others raised some points. I need not reply to all of them now. All shades of opinion are represented in the Select Committee. Even the hon. Member Sri Ari Gowder finds a place on the Select Committee. There are also other hon. Members on the Committee. So, their view-points will be listened to very carefully and if reasonable, they will be accepted and if unreasonable, they will be lost. Therefore, hon. Members need not be afraid that the Bill will not be looked into carefully and that whatever is necessary will not be done. The Bill reflects only the general plan and any adjustments or amendments that may be found necessary will be made. With these few words, I

4-50
p.m.

[Sri M. A. Manickavelu Naicker] [9th August 1954]

request that hon. Members may pass the motion for referring this Bill to a Select Committee consisting of the following Members :—

The Hon. Sri M. A. Manickavelu Naicker.

„ C. Subramaniam,

Sri K. Rajaram.

„ L. C. Pais,

„ K. H. Bomman,

„ A. S. Subbaraj,

„ N. Mahalingam,

„ S. Kandasami Gounder,

„ K. M. Seethi Sahib,

„ H. B. Ari Gowder,

Dr. K. B. Menon,

Sri M. P. Subramanyam,

„ S. Deivasigamany,

„ M. Kalyanasundram and

„ C. H. Kanaran.”

MR. SPEAKER :—“ The question is—

‘ That the Madras Plantations Agricultural Income-tax Bill, 1954, be referred to a Select Committee consisting of the following Members :—

The Hon. Sri M. A. Manickavelu Naicker,

„ C. Subramaniam,

Sri K. Rajaram,

„ L. C. Pais,

„ K. H. Bomman,

„ A. S. Subbaraj,

„ N. Mahalingam,

„ S. Kandasami Gounder,

„ K. M. Seethi Sahib,

„ H. B. Ari Gowder,

Dr. K. B. Menon,

Sri M. P. Subramanyam,

„ S. Deivasigamany,

„ M. Kalyanasundram and

„ C. H. Kanaran.”

The motion was put and carried.

MR. SPEAKER :—“ I appoint the Hon. Sri M. A. Manickavelu Naicker to be the Chairman of the Select Committee.

“ The half-hour debate on the acquisition of house-sites for Harijans in Malabar will commence now.”

IV.—HALF-HOUR DEBATE *RE* ACQUISITION OF HOUSE-SITES FOR HARIJANS IN MALABAR.

MR. SPEAKER :—“ I shall allow the hon. Member, Sri T. C. Narayanan Nambiar, 10 minutes, Sri A. Ratnam, 5 minutes, Sri Narayana Kurup, 5 minutes and the Hon. Minister, 10 minutes.”